



Annual Budget

Fiscal year
2011-2012

This page left intentionally blank

Lansing Community College

FY 2011-2012 Strategic Planning & Budget

Lansing, Michigan

LANSING COMMUNITY COLLEGE

TABLE OF CONTENTS

LETTER FROM THE PRESIDENT.....	5
LETTER FROM THE CHIEF FINANCIAL OFFICER.....	6
LANSING COMMUNITY COLLEGE BOARD OF TRUSTEES.....	8
ORGANIZATION.....	10
Organization Chart.....	11
Academic Divisions.....	12
Non-Academic Divisions.....	22
STRATEGIC PLANNING.....	24
Strategic Goals.....	29
Budget and Strategic Planning Context.....	34
Campus Master Plan Summary.....	45
BUDGET PLANNING.....	50
Budget Planning and Financial Policies.....	51
Fiscal Year 2010-10 GFOA Distinguished Budget Presentation Award.....	58
Fiscal Year 2011-12 Budget Establishment & Timeline of Budget Events...	59
Fiscal Year 2012 Proposed Budget.....	64
BUDGET DETAIL AND FINANCIAL INFORMATION.....	69
Operating and Capital Budgets.....	70
Major Sources of Revenues and Expenditures.....	71
Summary Table of Budgeted Fulltime Positions FY2010-FY2012.....	74
Sources of Revenue – Five Year Trend.....	76
Operating and Capital Budgets – Five Year History.....	77

Operating Detail Budgets – Five Year History.....	78
Revenue and Expenditure by Activity – All Funds.....	79
Fiscal Year 2012 Active Grant Funds Detail.....	83
CURRENT DEBT OBLIGATIONS.....	88
STATISTICS.....	89
APPENDIX.....	93
GLOSSARY OF TERMS.....	99

Letter from President Brent Knight:

LCC's Board of Trustees adopted a budget for Fiscal Year 2012 on Monday, June 20, 2011. They accepted the budget recommendations of college leadership, which are outlined in the Budget Proposal.

In summary, the \$131 million budget is based on a reduction in state appropriations of 4.2% and property tax revenue reductions of 3.6%. It also takes into account a mandatory 17.6% increase in pension obligations through the Michigan Public Employees Retirement System, bringing total pension costs to nearly 24.5% of payroll.

There are three core values which provide the foundation for FY 2012 budget discussions and plans:

1. Access to higher education

1. Tuition below the median for community colleges in Michigan

2. Student Success

1. Transfer students transferring
2. Career/Technical students completing their programs and gaining employment in their fields
3. Achieving The Dream

3. Stewardship and Sustainability

Tuition will increase \$3 per billing hour, or 3.9%, beginning Fall Semester 2011, from \$76 to \$79 for in-district students. That is below the projected statewide average of \$85 per hour, allowing LCC to continue to provide an excellent education at a very affordable cost.

LCC did not raise tuition for three academic years, from 2007 through 2010. For Fiscal Year 2011, in-district tuition increased by \$3 per billing hour.

A reduction in staffing will occur, but, in accordance with the applicable contract agreements, LCC will consider options to minimize the impact of the reduction. Impacted personnel will have the opportunity to apply for other positions for which they are qualified.

In addition to fiscal responsibility, the budget also emphasizes student success. It continues support for important student success initiatives adopted in 2011 that enhance the college's efforts to increase the number of students earning certification, associate's degrees, and/or successfully transferring to 4-year colleges and universities. For 2012, LCC is building on these initiatives with improvements in classroom technology, online services, and new programs such as the Sustainable Energy Center of Excellence.

Thank you.

Brent Knight, Ph.D.

Source: LCC website

Letter from the Chief Financial Officer

To:

Stakeholders of Lansing Community College

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

At the start of the College's FY 2012 budget planning, College financial staff projected an initial gap of more than \$5.6 million between projected revenues and expenditures. This \$5.6 million deficit assumed College programs and services would remain at FY 2011 levels with the exception of additional funding deemed necessary to target student success and planned capital improvements. This also assumed that tuition rates would remain flat. The College engaged in a rigorous review of all programs and services and closed the gap using criteria that prioritized funding for activities that had a direct impact on workforce development, educational quality or those that would produce more revenue than expense. Finally the remaining gap was closed with a conservative tuition rate increase of 3.9% for in-district students.

As the budget shows, we continue to exercise fiscal prudence, to maintain a healthy financial condition and to protect the tax dollars in the use of available resources to continue our commitment to academic excellence. The Lansing State Journal printed, "The college has demonstrated restraint while coping with the same intense financial pressures facing every educational institution in the state."

As in recent years, the budget planning for the Fiscal Year 2011-2012 took place within the toughest economic and fiscal environment the State of Michigan has experienced in recent history. The perennial fiscal crises the State of Michigan has been experiencing 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 FY2012, July 1, 2011 to June 30, 2012. As early as December 2010 however, the budget planning process pointed to a significant budget gap on the horizon for FY2012. The main factors underlying this significant budget gap include: rising labor costs, especially due to pension and retirement obligations, which are projected to increase by over 17%; reductions in state appropriations; and a continued decline in 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) improving student success, (b) operating as a fiscally responsible institution, and (c) being accessible to students by providing affordable educational opportunities. The Finance Division spent a considerable amount of time and effort compiling 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 this attempt have to be in line with these strategic goals.

Faced with a staggering \$5.6 million budget gap, the College had no choice but to make very strategic fiscal decisions which necessitated tough reduction in costs college-wide, including the elimination of programs and the realignment of organizational structures and positions. There are three core values which provided the foundation for FY 2012 budget discussions and plans: **access to higher education** through tuition below the median for community colleges in Michigan; **student success**, transfer students transferring, career/technical students completing programs and gaining employment in their fields, and utilizing Achieving the Dream to identify and address gaps in student success; and **stewardship and sustainability**. With these values in mind, the Administration embarked on making significant changes to programs for the first time in decades. While fully acknowledging the difficulty of these changes, LCC also recognizes their leadership responsibilities. This first-of-its-kind comprehensive program review provides a roadmap for similar and regular reviews in the coming years to ensure that LCC is meeting the needs of its students and area employers as well as playing a leading role in mid-Michigan's economic diversification and job growth. Together with faculty and staff, we can create a powerful transformation of the College that will lead to better opportunities and outcomes for our students, greater economic development for our region and better resource utilization for our college.

The very careful budget planning and the tough fiscal and program decisions made by the Administration and Board of Trustees 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.

While our state funding continues to be at risk and property taxes remain unstable, we have developed a budget that keeps the needs of the students first by maintaining the affordable and high-quality education for which LCC continues to be known. Student Success and cost containment remain a priority.

In presenting this FY2012 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 FY2012.

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 - July 1, 2011

Larry Meyer, Chairperson
December 31, 2016

Edward Woods III, Vice Chair
December 31, 2014

Robin M. Smith Secretary
December 31, 2012

Jerry Hollister, Treasurer
December 31, 2014

Deborah Canja, Trustee
December 31, 2016

Robert E. Proctor, Trustee
December 31, 2016

Thomas Rasmusson, Trustee
December 31, 2012

Dr. Brent Knight, President, Lansing Community College

LCC is the third largest community college (in enrollment) of 28 in Michigan. The College enrolls over 31,000 students per semester, representing about 65% in-district and 35% out-of-district students. LCC also employs over 550 full-time employees and over 2,100 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.

The main locations are:

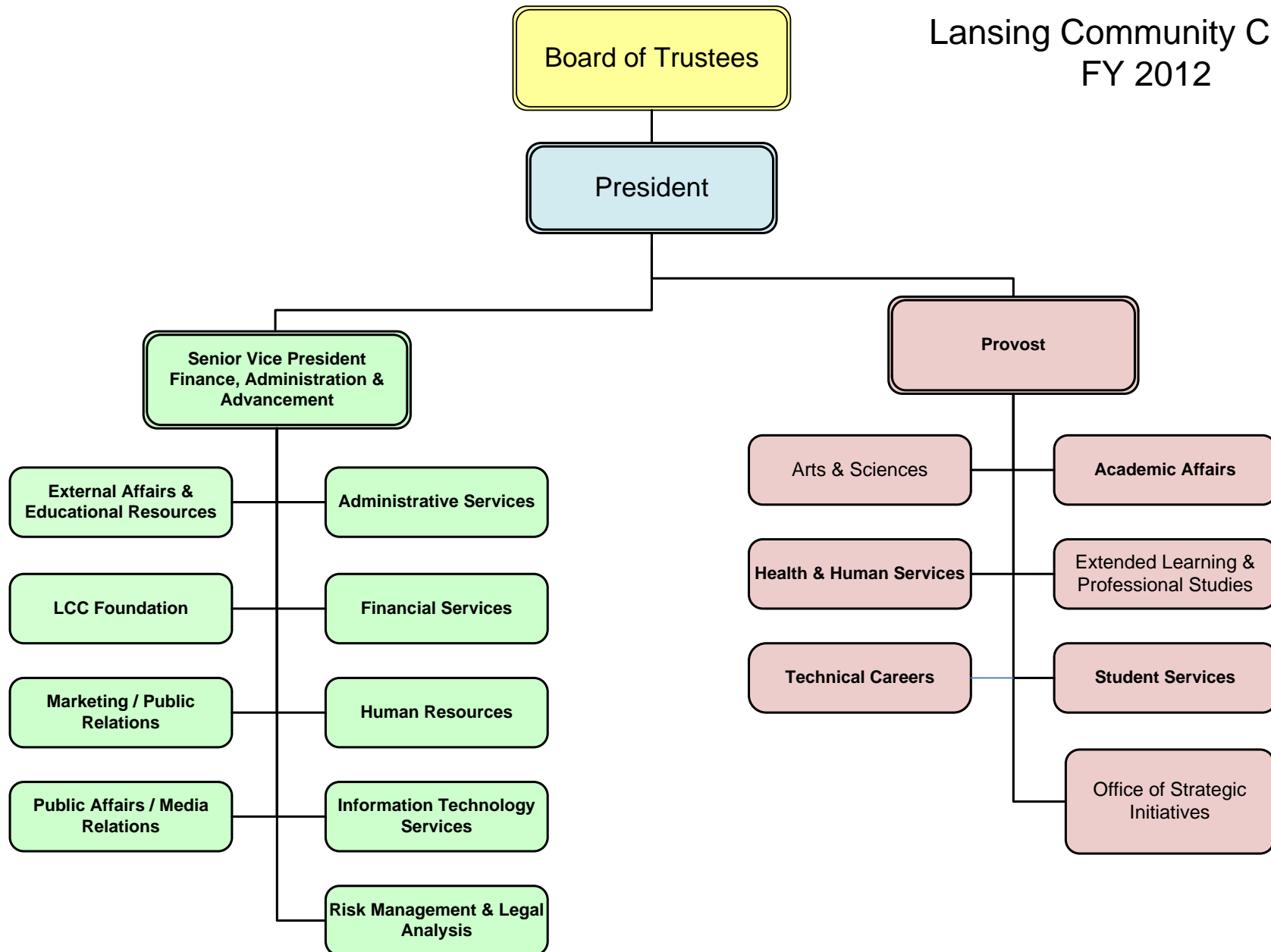
- LCC Downtown Campus, including a newly completed University Center, is a 48-acre campus covering seven city blocks and 1.1 million square feet of building space in downtown Lansing, Michigan
- LCC West in Delta Township, Michigan, comprised of 64 acres of land, houses the Michigan Technical Education 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 2012



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 services faculty and staff to help assure that our students get the highest quality instruction and support.

The goals of the Academic Affairs Office are:

- To promote excellence in academic offerings in curricula, delivery and fiscal responsibilities
- To provide learning and support opportunities for faculty and staff to grow in subject matter expertise, pedagogical knowledge, technology integration, and ability to promote learning within a diverse student population
- To assist in "opening the world" to our stakeholders through internationalizing the curricula and intercultural experiences and opportunities
- To create pathways for student opportunity and success through K-16 articulations and partnerships
- To lead in developing a college-wide culture that values people and promotes cooperation and collaboration, building a team that accomplishes the impossible for the benefit of students and the greater Lansing community

Academic Affairs also includes the eLearning Department and Institutional Effectiveness, Research, and Planning (IERP) Department.

The eLearning Department is committed to student success, 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, designs, implements and manages faculty and staff needs surrounding electronically supported education.

IERP is instrumental to Lansing Community College's data-driven decision making models that integrate data and 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

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 has continuing goals that provide avenues for continuous improvement with measurable outcomes. The Division provides a variety of services which are organized into the following units:

- Admissions, Registration and Records
 - Admissions, Registration and Records is the gateway to the college, processing all records for LCC's student body. In August of 2011, LCC began to disallow late registrations (after classes have begun) as a methodology to improve student success, since each class is important to the overall understanding of the course content
- Advising
 - Academic advising is the process whereby advisors and students work together to attain student educational and life goals. The advisor serves as a facilitator of communication, a coordinator of learning experiences, and an agent of referral to other campus departments and services. Developing and implementing electronic Educational Development Plans (EDP) that are stored and retrievable as part of a student record was an action goal realized in FY2011. An EDP is an individualized semester-by-semester class plan for reaching the student's intended educational goal. With this plan, the student can map out a path to a certificate, degree, or career goal and set a timeline for attaining it. It is a plan influenced by classes offered each semester and the student's individual circumstances, so the student and program advisor should re-evaluate it regularly

- **Assessment Services**
 - Assessment Services has more than doubled its testing activity in the last ten years. 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
- **Athletics**
 - LCC Athletics sponsors nine intercollegiate sports. Fall semester athletes participate in men's and women's cross-country and women's volleyball. Winter sport offerings feature men's and women's basketball. The year's competition concludes in the spring with women's softball, men's baseball and men's and women's outdoor track
- **Career and Employment Services**
 - Career and Employment Services has experienced helpful advisors to guide students through their job search, help identify marketable skills, prepare an eye-catching resume, and practice effective interviewing techniques. A Web-based job posting system is also maintained and lots of information on looking for the right job
- **Financial Aid**
 - Financial Aid is responsible for processing all scholarships, grants and loans
- **Learning Assistance: Library and Tutoring**
 - As your "Link to Learning" the Library mission is to engage students in learning, link people to resources and give exceptional service to all
 - Through a supportive, interactive learning experience Tutorial Services assists students in becoming independent learners who can then go on to achieve their personal goals
- **Student Activities**
 - The Student Life and Ombudsman Office enhances student success and leadership development in theory and practice; and impacts student and community quality of life by offering involvement in and exposure to diverse educational, cultural and personal experiences and opportunities
- **Student Compliance**
 - The Student Compliance Office at Lansing Community College exists to enforce the Student General Rules and Guidelines and Student Code of Conduct. Every student attending LCC must abide by these regulations and failing to do so will result in due process. The Student Compliance Office also assists students in utilizing LCC's appeal process and provides counsel, information and directions for resolving issues

- Student Recruitment, Outreach and Orientation
 - In an effort to enhance and strengthen the overall educational experience of students and their families, mandatory orientation for new degree-seeking or transfer students was a goal that was instituted in FY2011. Studies have shown that students who attend orientation are more prepared to begin classes and more successful in reaching their academic goals
- Student Support Services Department
 - Counseling, Non Traditional, Special Populations, Returning Adult and Disability Support Services
 - LCC counselors are licensed, experienced professionals with a special interest in working with college students. They provide confidential services, and help most by listening carefully, asking useful questions, and sometimes offering suggestions for consideration
 - LCC is committed to making accommodations and providing services for persons with disabilities. The College has administrative and faculty specialists who respond to visual, hearing, mobility, and alternative learning needs. The College adheres to the standards and guidelines set forth in the Americans with Disabilities Act

Extended Learning and Professional Studies

The departments included in the Extended Learning and Professional Studies Division are:

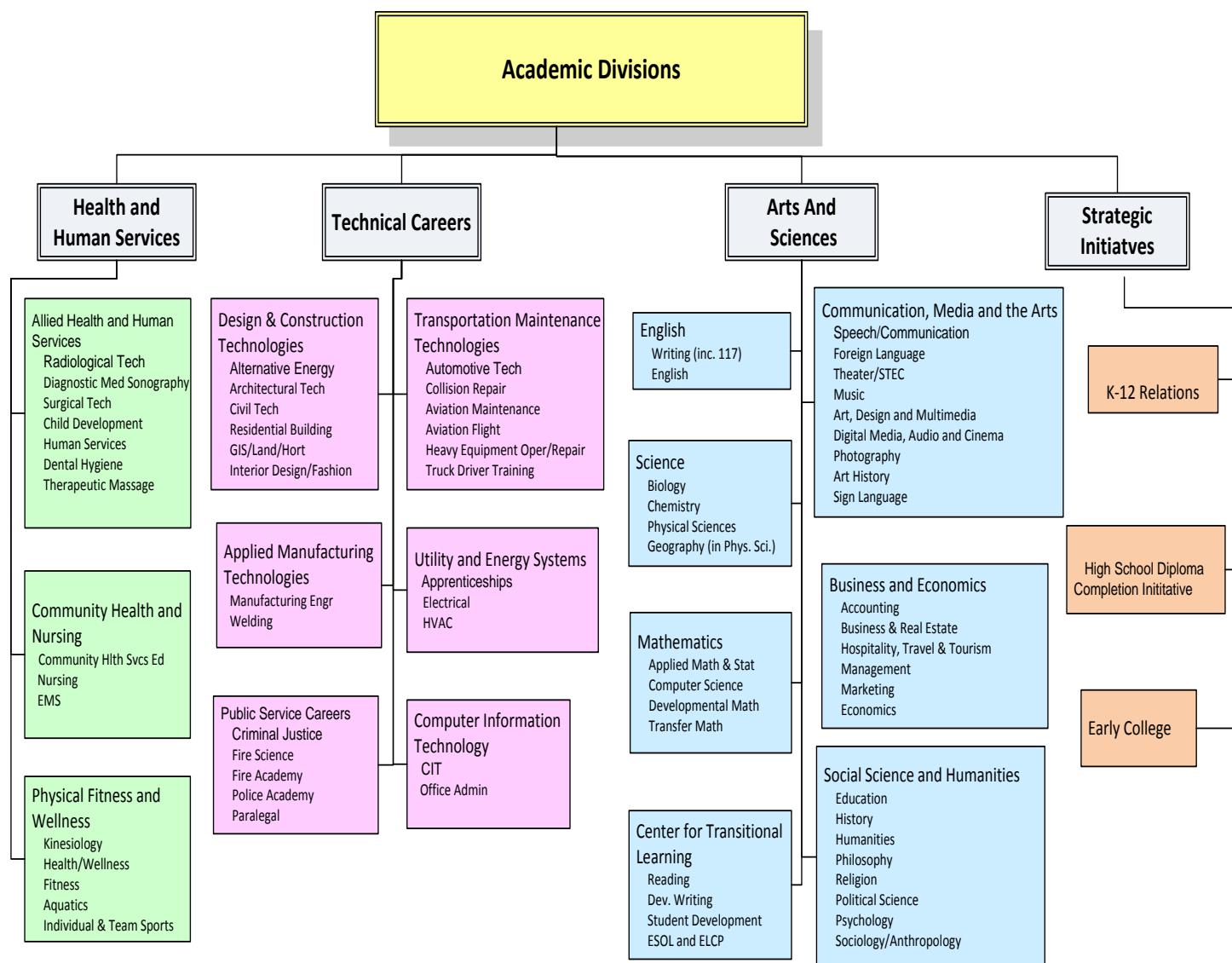
- Business & Community Institute (BCI)
 - The Business & Community Institute of Lansing Community College offers performance solutions training and courses in a variety of topics for various industries. Training can also be customized to meet specific customer needs. BCI courses, programs, and seminars 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
- Center for Workforce Transition
 - In cooperation with the State of Michigan Capital Area Michigan Works initiative, LCC operates this center to provide information and assistance to adults transitioning into the workforce. Services include identifying career goals, retraining or gaining new skills, and job search techniques
- Continuing & Community Education (CCE)
 - Continuing Education Courses are designed to update your professional certification, meet continuing education contact hour requirements,

continue your professional development, or gain additional professional certifications.

- Extension Centers
 - The centers provide convenient learning locations for degree seeking, transfer or personal interest needs
- Michigan Small Business & Technology Development Center (SBTDC)
 - The mission of the Lansing Community College's SBTDC 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 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 and is located on LCC's main campus. Our partner universities offer junior and senior level courses leading to over 30 Bachelor's degrees, and several post-baccalaureate certificates and Masters degrees. All community members, as well as current and former LCC students may attend the University Center

LANSING COMMUNITY COLLEGE

Academic Divisions



At Lansing Community College, instruction is organized into the four areas displayed in the second level of the chart above: Health and Human Services (HHS), Technical Careers (TC), Arts and Sciences (A & S) and Strategic Initiatives (SI). In December of 2010, the College announced a reorganization of the academic areas, dissolving the Business Media and Information Technologies Division (BMIT) into the HHS, Technical Careers and Arts and Sciences Divisions to better position the college to pursue its core mission of teaching and learning. At this time, the Office of Strategic Initiatives was also created and all facets of K-12 Relations, including a new Middle College, the Early College at LCC, are in this unit. BMIT was dissolved, effective in January of 2011, with the new academic term.

The realignment is, in part, a response to the pressures and demands on public educational institutions across the country to do more with less: to facilitate the best learning for students by focusing on our core mission; to pursue excellence through innovation and new forms of intellectual collaboration; and to demonstrate good fiscal stewardship by achieving institutional efficiencies and cost savings. It is designed to enhance student success by solidifying core instructional areas, as well as create new opportunities for collaboration within programs and divisions. This realignment will also work to erode the barriers between transfer-oriented and occupationally-focused programs here at LCC, and allow the institution to realize operational efficiencies in the near and long term.

The decisions were informed by the continuing campus dialogues that engage the question: what can we do to make LCC better for its students, employees and stakeholders? And how can we further leverage our institutional strengths in preparation for the challenges looming on the horizon? Information gathered from campus initiatives such as Envision One LCC and the Program Review process helped inform this decision.

Health and Human Services

This academic division prepares many health careers workers, childcare workers, and human services workers for higher education or their careers. 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
- Physical Health and Wellness

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.

Realignment for this division eliminated Department Chairs, using a Program Manager model for the six programs now included in the division:

- Applied Manufacturing and Engineering Technologies
 - Manufacturing and Engineering (MET) Design, MET Machining and Welding are programs in this department
- Computer Information Technology
 - The department includes Office Administration, as well as Computer Information Technology (applications, database, networking, web design and programming)

- Design and Construction Technology
 - Courses in Architectural Technology Alternative Energy Engineering Technology, Civil Technology, Fashion Technology, Geographic Information Systems, Horticulture, Interior Design Technology, Landscape Architecture and Residential Building are included in the department
- Public Service Careers
 - This department educates many of society's dedicated servants, such as law enforcement and corrections workers and fire fighters
- Transportation Maintenance Technology
 - The department includes automotive technology and collision repair, aviation flight maintenance, avionics, heavy equipment maintenance and truck driving
- Utility and Energy Systems
 - Heating Ventilating and Air Conditioning Technology as well as Electrical Technology are taught in this department

The program offerings in each of these departments provide instruction that gives students the specialized skills to secure employment in highly technical occupations.

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.

Arts and Sciences

The Arts & Sciences 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 Arts and Sciences 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 Arts & Sciences 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:

- Business and Economics
 - Accounting, Economics, Hospitality, Travel and Tourism, Management and Marketing are offered in this department

- Center for Transitional Learning
 - The creation of this department was an action project for FY2011, created during the realignment to better focus efforts leading to student success for developmental learners who are not yet at a college-ready level and students for whom English is a second language. Included in this department are courses in Developmental Writing, English for Speakers of Other Languages, Reading, and Student Development
- Communication, Media and the Arts
 - Art History, Art, Design and Multimedia; Digital Media, Audio and Cinema; Foreign Language, , Music, Photographic Imaging Technologies, Speech/Communication, Stage Technology, Sign Language and Theatre are programs in this department
- English
 - English and Writing are offered in this department. Through the study of literature, whether written in English or translated into English from another language, the department strives to help our students develop an appreciation and understanding of literature's personal, cultural, and historical significance and learn how to understand and analyze its meaning
- Mathematics and Computer Science
 - The department offers a variety of courses in the areas of mathematics, including developmental math, computer science and statistics
- Science
 - This department offers a wide range of courses in the natural sciences for degree completion, transfer to 4-year institutions and personal interest. Biology, Chemistry, Geography and Physical Science programs are in this department
- Social Science and Humanities
 - History, Humanities, Religion, Philosophy, Political Science, Psychology, Sociology/Anthropology and Education Preparation are the programs offered in this department

Strategic Initiatives

The Strategic Initiatives area offers programs for dual enrollment/special admissions to nearly 1,000 students as a vehicle for preparing high school students for post-secondary education and the workforce. Multiple grants provide much of the funding. Partnerships with local school districts offer numerous options for advanced placement, high school diploma completion and Tech prep courses, to at risk students and traditional high school stopouts/dropouts. For FY2012, LCC has received a grant from the Michigan Department of Education to create an early college, allowing students who have completed their sophomore year to compress the time it takes to complete a high

school diploma and the first two years of college. Students can achieve a technical certification in a Science, Technology, Engineering and Mathematics (STEM) field and/or transferable college credits up to an associates' degree. The programs included in the Strategic Initiatives area are:

- K-12 Relations
- High School Diploma Completion Initiative (HSDCI)
- The Early College

LANSING COMMUNITY COLLEGE

Non-Academic Divisions

Executive Offices

The Executive Offices include the offices of the President, the Provost, and the Vice President for Finance, Administration and Advancement, the Vice President of Strategic Initiatives as well as the Strategic Initiatives departments. This area 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.

Advancement and External Affairs

The Advancement and External Affairs Division brings together units responsible for influencing public policy and opinion, strengthening the college's reputation and cultivating key relationships critical to the College for the present and future. It endeavors to establish comprehensive programming to expand and sustain the community's trust in the institution and continue to build a positive relationship between the College and the general public. The major functions units included are listed below. The major functions are:

- School and Community Relations
- Marketing, Public Relations, Broadcasting
- LCC Foundation Office
- Government Relations and Grants

Financial Services

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

- Accounting
- Financial Planning and Reporting
- Payroll
- Purchasing
- Student Finance

Human Resources

The Human Resources 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 Human Resources services covering all the following areas:

- Compensation and Benefits
- Diversity
- Hiring and Orientation

- Labor Relations
- Performance Management
- Professional Development and Training
- Wellness
- Workforce Planning

Administrative Services

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

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

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 are:

- Enterprise Systems
 - This department is responsible for applications that support the College's administrative operations and management information systems
- Personal Computing, Network, and Telecommunication Services
 - This department provides technical support for those services
- College Technical Support
 - This department is responsible for managing the computer systems
- Instructional and Technology Support Services
 - This area provides 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, review in 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 the 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 	<ul style="list-style-type: none"> Leveraging Technology 	<ul style="list-style-type: none"> Developmental Education 	<ul style="list-style-type: none"> University Center

	<ul style="list-style-type: none"> • Understanding Students' and Stakeholders' Needs • Supporting Institutional Operations • Measuring Effectiveness • Planning Continuing Improvement 	<ul style="list-style-type: none"> • K-12 Partnerships • Future State Funding 	<ul style="list-style-type: none"> • Health Care • Financial Assistance 	<ul style="list-style-type: none"> • 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.

Achieving the Dream

LCC has been chosen, along with 26 other community colleges nationwide, to participate in the national Achieving the Dream (ATD) initiative. Sponsored by the Lumina Foundation for Education with support from the Kresge Foundation, W. K. Kellogg Foundation and a host of others, ATD assists in identifying challenges that prevent students from succeeding and in making changes in policies, programs and services. Colleges participating in ATD agree to engage faculty, staff and administrators in a process of using data to identify gaps in student achievement and to implement and improve strategies for closing those gaps. ATD also provides a forum to share promising practices and develop common performance measures that enable benchmarking of state and institutional performance. In accordance with the commitment to provide expert coaching to participating colleges, representatives did a site visit and collaborated in a campus presentation in May, 2011, introducing concepts of data driven decisions in higher education.

Program Review

LCC has historically conducted a program review annually. Involvement in the national Achieving the Dream (see above) helped the development of a systematic review process supporting evidence-driven institutional improvement whereby all academic programs (74 for FY2011) are reviewed and rank ordered into quartiles based

on a range of factors, including a review of enrollment trends, program offerings, the strategic vision of the Deans' Council and the number of certificates and degrees awarded in those programs. Also weighed is the level of college subsidies needed to support programs; job opportunities and wages for graduates in various disciplines; and in some cases, the need for future capital investments. The eighteen programs in the lowest quartile are further analyzed with potential options and outcomes below:

- Maintain – Keep current courses and curricula without significant change
- Shrink and/or simplify - Discontinue some courses or curricula while keeping others
- Grow – Expand the number of offerings into new areas that the college currently does not offer
- Hibernate – Cease offering current curriculum. If curriculum is not offered within three years, then discontinue
- Partner – Partner with other educational institutions to deliver some or all of the content
- Eliminate – Curricula will be discontinued. In some cases, a small amount of content may be merged into a new program
- Restructure – Change the way content is delivered or change actual content
- Merge – Combine with one or more other programs. All Course and curricula may or may not be a part of the new merged program

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 and sustain a learning environment where leadership and communication structures, networks and 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 and 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.

AQIP requires that participating organizations have three Action Projects underway at all times and to share information about them. The Action Projects for FY2011 were:

1. Educational Development Plans (EDP)

Accomplishments:

- An electronic EDP was developed and implemented, integrated as a standard process in academic advising
- EDP documents are stored and retrievable as part of the student's record
- Nearly 5,000 EDPs are on file

2. Transitional Learning and Developmental Education

Accomplishments:

- Academic realignment and transition from Language Skills and Student Development Department to the Center for Transitional Learning
- Professional Development through attendance at important conferences, such as Student Success Summit Education
- National Association for Developmental Education Certification for the Developmental Mathematics Program
- Establishment of Arithmetic Boost Program, Math Boot Camp and the Math Assistance Center for individualized instruction
- Hosted a Developmental Education Summit at LCC
- Piloted new "combined learning" programs in developmental math, reading and writing

3. PQIP (Program Quality Improvement Process) and Data Sharing Capability

Accomplishments:

- Developed Data Dashboard and reporting capability for student success data
- Held campus-wide presentations to acquaint faculty and staff with features of the Data Dashboard
- Developed framework for new PQIP (Program Quality Improvement Process) to replace old program review process

For FY2012 the AQIP Action Projects and goals are:

1. PQIP implementation

Goals:

- Improve student success, retention and graduation through broad faculty engagement
- Use the new Data Dashboard to analyze student metrics
- Develop improvement goals and process improvement
- Focus on course metrics and possible reasons for the prevalence of withdrawal and 0.0 grades

2. Student Services Process Redesign

Goals:

- Develop, design and implement a service delivery model using space redesign, staffing and technology to provide well coordinated and integrated academic and student services
- Align the right student support for the right customers using the right tools. Improve student success, retention and graduation through broad faculty engagement

3. Strategic Challenges

Goals:

- Research and analyze the changing environment, trends, needs, and situation. Through discussion, focus on the 4-6 most critical strategic challenges facing the college in coming years
- Communicate the analysis and research to the Board, administration, faculty, staff and larger community to achieve a common understanding of the nature of our challenges and the need for change and innovation

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 discussion regarding performance measures for community colleges has received much attention lately at both federal and state levels. At the federal level, Achieving the Dream and the Lumina Foundation are working to leverage policy areas that support data-driven performance measurement and accountability systems, using robust common measures that enable benchmarking of both state and institutional performances. A concurrent focus is cross-system alignment of expectations, standards and assessments among K-12, community colleges and four-year institutions.

At the state level, Michigan's government's commitment has been demonstrated by the creation of a Performance Indicators Task Force. This task force provides that it is the intent of the legislature that performance measures be reviewed and more fully implemented for distribution of State funding in future years and that the performance indicators task force review and implement one or more measurable data items for the local strategic value indicator and review and implement one or more measurable data items for an administrative cost formula component, from which appropriation levels are determined.

Also at the state level, Michigan Community College Business Officers Association is leading discussion among the 28 community colleges to agree upon and recommend to the state performance measures that are reasonable, robust and identify gaps related to student success.

Information in the following table shows short term performance goals for the college:

Outcome Goals	FY10 ACTUAL	FY11 Estimated	FY12 Goal
Maintain or improve percentage of graduates who find jobs (one-year placement rate for students using institution's existing reports to the federal government)	67% <small>$\frac{337}{509}$ (09 grads in 10 followup)</small>	67%	70%
Maintain or improve the success of students transferring to 4-year institutions (average first year GPA of transfer students)	3.02 GPA <small>09-10 MSU Incoming</small>	3.02 GPA	3.05 GPA
Total number of degrees and awards granted in natural sciences, engineering/technology, and health care	1,296 <small>09-10 Awards</small>	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).

Additional recent performance measures are displayed below:

- Fall 2010 overall course success rate 72%
 - Course success rate – Men 69.1%
 - Course success rate – Women 74.2%
- Fall 2010 persistence rate 72.0%
- Fall 2009 retention rate 48.6%
- Fall 2010 - Spring 2011 Graduation:
 - Associate of Arts - 1,595
 - Certificate of Achievement - 385
 - Certificate of Completion - 976

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 retirement 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 decade 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.

However, the drag from the manufacturing sector on Michigan's economy appears to have bottomed out and the recovery in vehicle sales nationally has helped Michigan's economic situation. Manufacturing employment in Michigan rose by 48,500 jobs (7.6%) between June 2009, when the U.S. recession ended, and March 2011. Employment in the transportation equipment manufacturing sector increased by 20.5% over that period, accounting for 22,600 of the manufacturing jobs Michigan gained. Michigan employment declined for 12 consecutive months between July 2008 and June 2009, but has risen in 11 of the last 15 months. The unemployment rate declined from a high of 14.1% in August and September of 2009 to 10.3% in March 2011, although a portion of that decline represents the departure of individuals from the labor force.

While over the last ten 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, 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. February 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 sometime near the year 2035.

During 2011, the Michigan economy is expected to finish contracting. Michigan's economy is forecast to exhibit both income and employment growth in 2011, although the improvements will be modest. Meaningful growth is unlikely to occur until a meaningful recovery is experienced in both the financial sector and housing industry, and consumers have improved their debt-to-income ratios. These changes, which are expected to take years, will likely need to occur at both the national and statewide levels before Michigan will experience economic growth on a sustained basis.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2010-11, FY2011-12, and FY2012-13
May 13, 2011 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 although employment is expected to exhibit its strongest performance in more than a decade. Inflation-adjusted personal income is projected to rise 1.2% in 2011 and 0.2% in 2012. After declining 6.8% in 2009 and 0.3% in 2010, the rate of employment is predicted to increase 1.2% during 2011, 0.2% in 2012, and 0.9% in 2013, the first increase since 2000. While still above the national average, Michigan's unemployment rate is expected to continue to decline, decreasing from 13.6% in 2009 and 12.5% in 2010 to 10.41% in 2011, and 10.2% in 2012.

Inflation is not anticipated to be a concern over the forecast period, despite the assumption of high energy prices and a significant decline in the value of the dollar. Productivity, weak consumer demand, and substantial weakness in the labor market will help keep labor costs low, with unit labor costs expected to increase only 0.5% in 2011 and 0.7% in 2012.

For fiscal year 2011, in-district tuition increased by \$3 per credit hour, the first increase in four academic years. LCC's leadership has remained firm in their stance to keep tuition rates low, in accordance with the mission 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 transfer and articulation agreements LCC maintains with four-year institutions in the state of Michigan as well as the success of their own University Center.

Labor contracts for all but one of the seven labor unions expired June 30, 2010, the last day of FY2010. Wages and salaries were frozen for all employees since June 30, 2010 and for Administrators at level 9 and above (non union) since June 30, 2009.

Revenue Forecast

The recession in Michigan continues into 2011 with significant pressure on the state budget and property tax valuations. In fiscal year (FY) 2010-11 General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue is expected to total \$18.8 billion, up 6.6% from FY 2009-10. The increase reflects an improving economy, combined with lower income tax refunds, and is \$557.3 million above the January 2011 consensus estimate. General Fund/General Purpose revenue is estimated to rise 12.8% to \$7.7 billion while SAF revenue will increase 2.7% to \$11.1 billion.

Based on legislation passed in 2007, the income tax rate increased from 3.9% to 4.35%. Under the same legislation, this rate increase is scheduled to fall by 0.1% starting on October 1, 2011. The rate will continue falling by 0.1% annually until it returns to the 3.9% level in 2015. This 0.1% rate reduction indicates a resulting loss of \$163.5 million to the state in FY 2011-12.

In FY 2011-12, the economy is projected to grow more slowly than in FY 2010-11, resulting in slower revenue growth. Revised revenue estimates for FY2011-12 indicate a 2.2% increase over FY2010-11 in GF/GP and SAF revenue. GF/GP revenue is expected to increase 2.3% from the FY 2010-11 level to \$7.8 billion and SAF revenue is projected to grow 2.1% to \$11.3 billion.

In FY 2012-13, GF/GP and SAF revenue will total an estimated \$19.3 billion. This initial estimate for FY2012-13 is 0.7% higher than the revised estimate for FY 2011-12, with substantial tax changes causing revenue to grow much more slowly than economic conditions would suggest. General Fund/General Purpose revenue is expected to decline 2.6% from FY 2011-12, while SAF revenue is expected to increase 3.0%.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2010-11, FY2011-12, and FY2012-13
May 13, 2011 Senate Fiscal Agency, State of Michigan

State Appropriations

Michigan's economic struggles and uncertainty have increased pressures on already limited resources. Additionally, the increasing desire for accountability and performance measures caused the state to consider tying appropriations to formulas for FY2012 that included performance outcome measures, but eventually decided to delay that for future implementation. A task force has been charged with assisting the state in developing and implementing a formula model that includes three indicator categories and a number of metrics to verify the indicators.

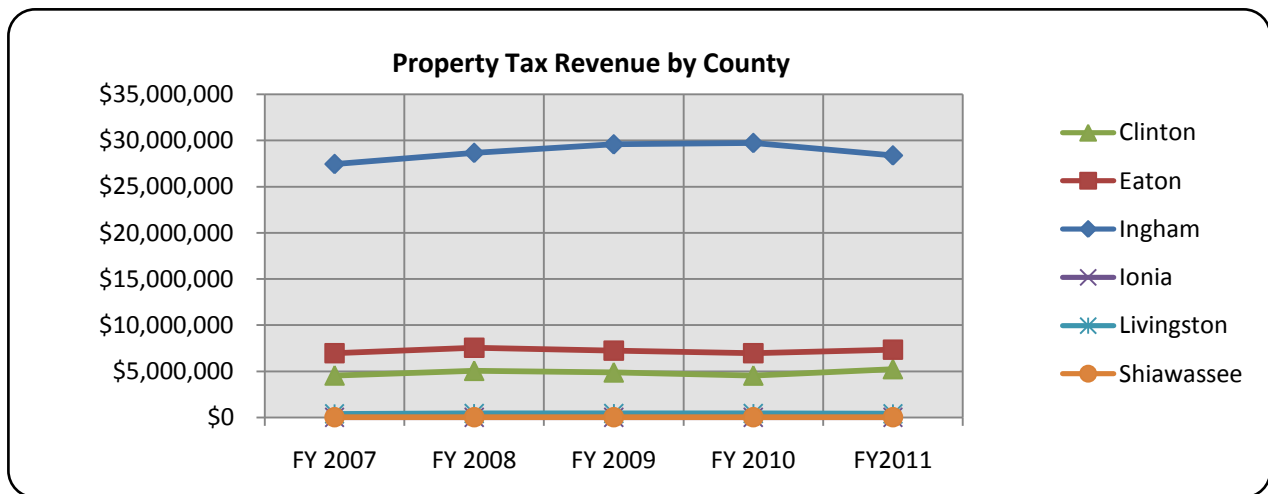
For FY2011, LCC approved a budget in May that included a decrease of 3.3% (\$931,900) in state appropriations. The American Recovery and Reinvestment Act of 2009 (ARRA) mitigated the economic situation by the appropriation of \$53.6 billion to states for fiscal relief to the State Fiscal Stabilization Fund. These funds were 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 were at least equivalent to FY2008 levels. With this resource coming to an end, the Executive, Senate and House proposed changes to appropriations that reduced funding by 0% to 20%. In April, 2011 the appropriation bill was finalized with a 3.7% reduction to LCC. Given the expectation of continuing pressures on state resources, at best, state appropriations to the College can be expected to be stagnant in the near future.

Property Tax Revenue Trends

Lansing Community College derives its property tax revenues from six contiguous counties. 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.

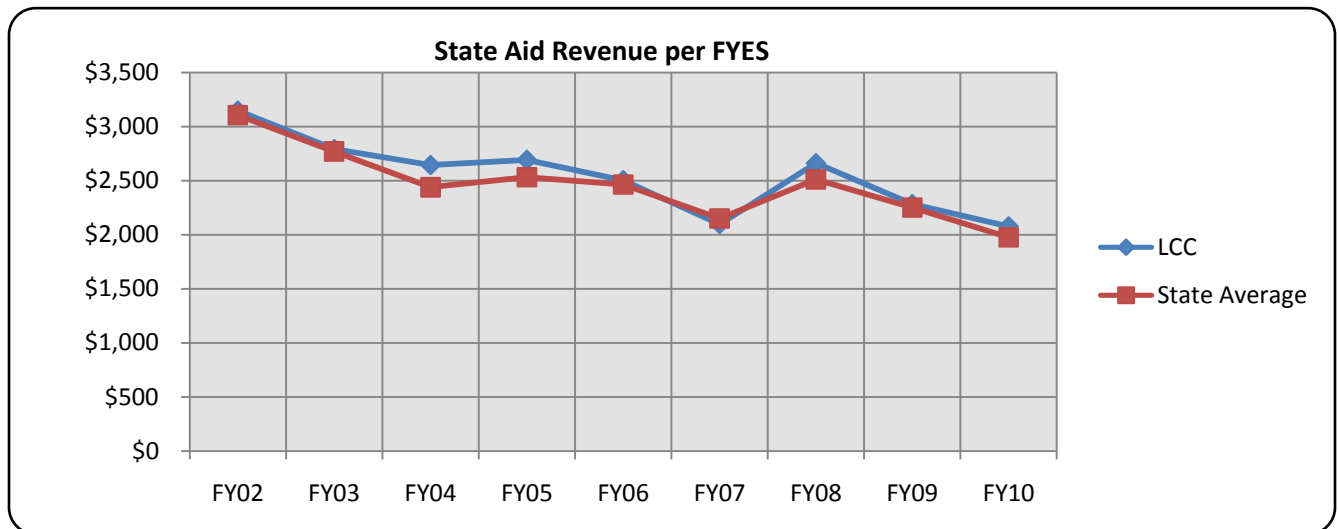
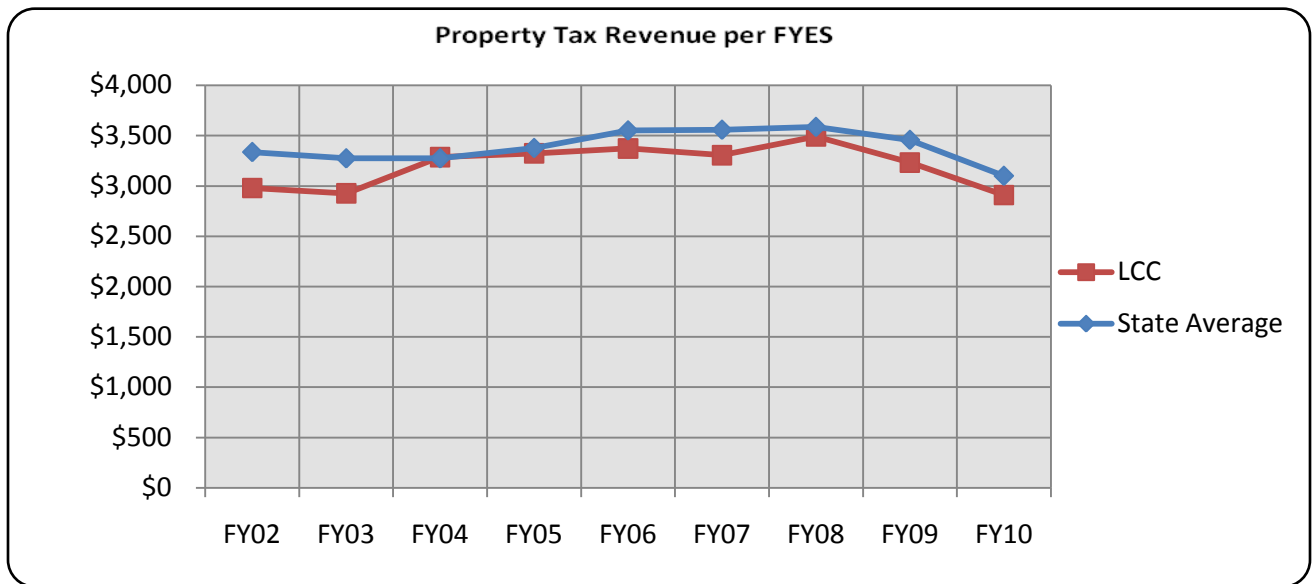
PROPERTY TAX REVENUES BY COUNTY

COUNTY	FY 2007	FY 2008	FY 2009	FY 2010	FY2011
Clinton	\$4,552,759	\$5,050,949	\$4,877,086	\$4,543,422	\$5,232,501
Eaton	\$6,957,402	\$7,537,277	\$7,212,018	\$6,948,801	\$7,316,087
Ingham	\$27,457,416	\$28,661,849	\$29,581,572	\$29,731,956	\$28,383,172
Ionia	\$19,763	\$22,628	\$21,650	\$6,066	\$21,844
Livingston	\$381,408	\$422,183	\$428,075	\$420,062	\$397,209
Shiawassee	\$25,324	\$27,190	\$26,726	\$31,290	\$29,499
Total	\$39,394,072	\$41,722,076	\$42,147,127	\$41,681,597	\$41,380,312



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, at least 50% of the outstanding Property Tax at the end of the fiscal year was ultimately collected. After FY2007, however, the rate of collection has worsened and since then only 25% of the outstanding prior-year levied taxes is deemed collectible.

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 2009-10 Data Book & Companion) show clearly this state of affairs in the following two data charts.

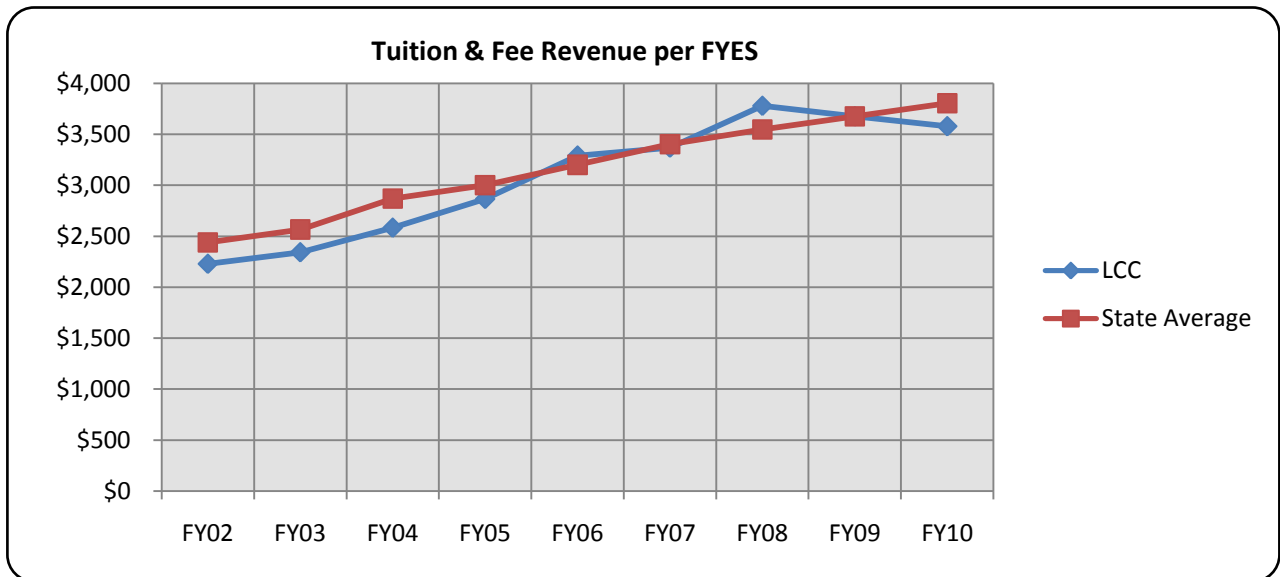


IMPACT ON FY2012 BUDGET PLANNING

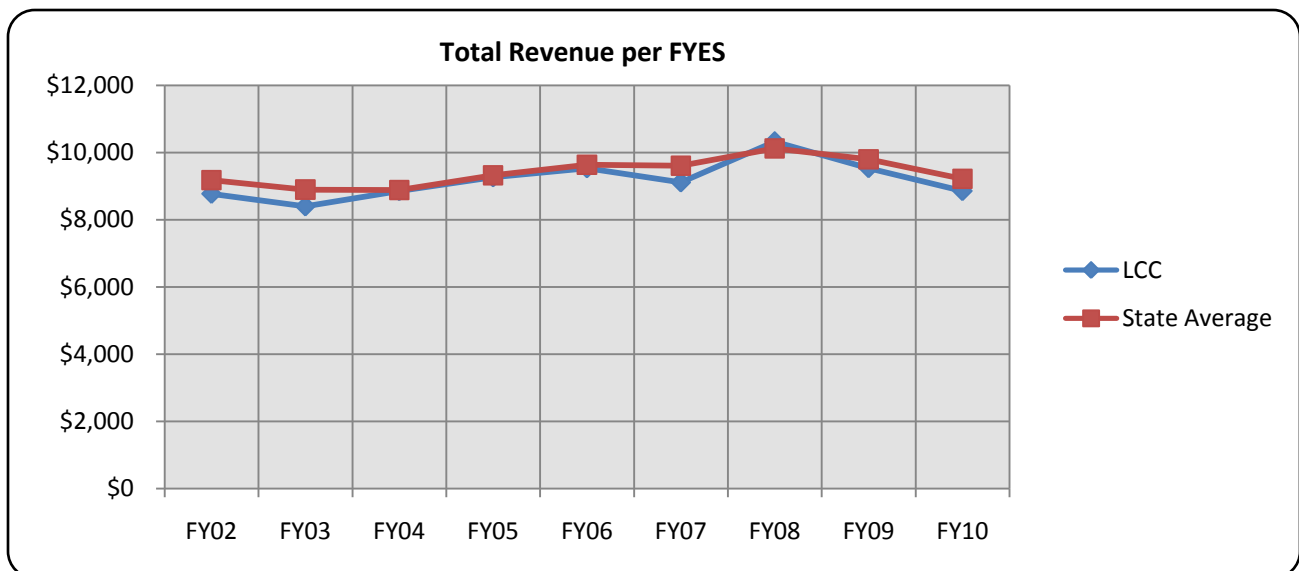
Prior to FY2008, State of Michigan appropriations and property taxes (public revenues) provided more than 60% of the College's revenues. This percentage has fallen below 60% in the last three fiscal years, and this decline is expected to continue in FY2012 and probably beyond.

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, reduced 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. 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 FY2012. The planned increases range from a 4.4%

reduction to a 17.0% increase for in-district tuition and from 2.50% to 13.20% for out-of-district tuition, with four 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, in direct conflict with Lansing Community College's strategic goal of accessibility and the objective to "Provide affordable educational opportunities."

Budget planning for the Fiscal Year 2011-2012 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. The college faced the same intense financial pressures facing every educational institution in the state.

LCC's enrollment has increased 20% to some 30,000 students (see chart) in the past three years, and the amount of federal aid processed for students has jumped from \$60 million to \$110 million. Managing that growth without a comparable increase in the budget has required careful decisions.

LCC Enrollment	2006	2007	2008	2009	2010
College (unduplicated head count)	32,097	34,067	30,620	32,024	33,442
Full-time Equivalents	11,311	11,919	11,953	13,039	14,328
Total Credit Hours	350,626	369,496	370,542	404,223	444,177

Early on, the FY2012 budget planning process pointed to a significant budget gap in excess of \$10 million on the horizon. The main factors underlying this significant budget gap include: rising health care costs which are projected to increase by 8% for the College share; employer contributions to the Michigan Public School Employee Retirement System (MPERS) rising by 17.6%, uncertain state appropriations; and falling property tax revenues. When state appropriations and tax levies were finalized, the funding gap was reduced to a still daunting \$5.68 million.

The College had no choice but to make very strategic fiscal decisions which necessitated tough reduction in costs college-wide. Vacant positions were analyzed and prioritized throughout the college, eliminating 8 full time positions. Efficiency enhancements totaling \$3.22 million and revenue enhancements of 1.07 million were identified and incorporated into the proposal.

Budget and Strategic Planning Decisions - FY2012	
FINANCIAL IMPROVEMENT INITIATIVES	
Expenditure Reductions	Amount
Academic Affairs Division	
Elimination and reduction of positions	\$248,955
Advancement & External Affairs Division	
Elimination of positions & reduce various operating expenses	\$325,380
Arts & Sciences Division	
Better section management & elimination of positions	\$223,640
Executive Division	
Reduce consulting & memberships	\$129,880
Reduce operating expenses	\$5,000
Reduce operating expenses	\$25,950
Reallocate position to grant funding	\$26,570
Extended Learning & Professional Studies Division	
Reductions in staff & operating expenses	\$259,535
Financial Services Division	
Reduce operating expenses	\$315,160
Health & Human Services Division	
Reduce curriculum development costs & operating expenses	\$40,800
Human Resources Division	
Reduce consulting & reduce positions	\$246,830
Information Technology Services Division	
One time projects completed & reduce professional services	\$576,100
Student Services Division	
Elimination and reduction of positions	\$448,960
Technical Careers Division	
Reduce positions & operating expenses	\$147,948
Lansing Community College Wide	
Reduce hours needed to offset vacancies	\$197,650
Total Expenditure Reductions	\$3,218,358
Revenue Enhancements	
Selective admissions application fee	\$54,700
Higher One card replacement fee	\$48,000
Increased Continuing Education course offerings	\$125,000
Additional fees for math e-books	\$523,200
Extension Center increased enrollment	\$79,340
Increased corporate training offerings	\$74,000
Increase international student enrollment	\$37,800
Increase child development course offerings	\$32,200

Budget and Strategic Planning Decisions - FY2012	
FINANCIAL IMPROVEMENT INITIATIVES (cont'd)	
	Amount
Offer new training programs for existing workforce	\$25,000
Increase Capital Area Michigan Works enrollment	\$5,000
Increase Health & Human Services peer support course offerings	\$40,000
Increase LCC TV advertising revenue	\$30,000
Total Revenue Enhancements	\$1,074,240
Total Expenditure Reductions & Revenue Enhancements	\$4,292,598
Expenditures on New Strategic Initiatives	
Non Discretionary Funding Requests	
Administrative Services Division	
Maintenance for Mason airport property	\$72,900
Fleet fuel increases	\$69,040
Maintenance for parking lots	\$12,000
Utility rate increases	\$53,950
Increase custodial staff overtime	\$5,760
Arts & Sciences Division	
Provide math e-books	\$523,200
Extended Learning & Professional Studies Division	
Rental increases	\$7,000
Financial Services Division	
Increase in bank credit card processing fess	\$66,520
Information Technology Services Division	
New course management system	\$332,700
Software & hardware maintenance contract increases	\$146,480
Total Non Discretionary Initiatives	\$1,289,550
Discretionary Funding Requests	
Academic Affairs Division	
Institutional research contract programmers	\$60,000
Administrative Services Division	
Reduction of position	\$7,500
Arts & Sciences Division	
Accelerated General Education course development	\$16,230
Executive Division	
Supplement Early College	\$256,840
Health & Human Services Division	
Childcare Access means Parents In School grant	\$12,980
Additional full time lab tech	\$64,360

Budget and Strategic Planning Decisions - FY2012	
FINANCIAL IMPROVEMENT INITIATIVES (cont'd)	
Human Resources Division	
Part time administrator for benefits	\$43,080
Information Technology Services Division	
Classroom technology	\$470,000
Data warehouses for reporting	\$243,840
Utilize eCommerce to promote and process credit cards	\$90,300
Installation of Smartboards & visualizers	\$64,630
Solutions for file retrieval & voicemail concerns	\$249,410
Develop online curricula, syllabi, & textbooks in house	\$147,840
Student Services Division	
At-Risk funding per state appropriation	\$141,900
Technical Careers Division	
Phase 2 of utility line worker training center	\$45,215
Site improvements & reconfigure space for programs	\$100,000
Convert part time support to full time	\$35,780
Site work for energy efficient residential lab	\$50,000
Lansing Community College Wide	
Maintain full time faculty positions at current levels	\$279,510
Fund support process improvement initiatives	\$154,420
Professional development, faculty orientation, & on-line training	\$279,990
Total Discretionary Initiatives	\$2,813,825
Total Expenditures on New Strategic Initiatives	\$4,103,375

Even these measures were not enough to balance the budget. The Administration bridged all but \$4.3 million of the remaining gap with an involuntary reduction in workforce, eliminating four full time and 15 part time occupied positions, and savings from program review implementation. Tuition increases accounted for the remaining \$4.3 million.

Lansing Community College Campus Master Plan Summary

Lansing Community College Campus Master Plan Executive 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 2000 and 2009, LCC's fiscal year equated students (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 nearly 31,000 students on its two campuses, and at 3 learning centers, 9 area schools and 18 specialized facilities located throughout its service district.

The College was established in 1957 as a division of the Lansing Public School system, with eight faculty members and 425 students. It was housed initially in what had once been the Central High School building and offered instruction in technology, practical nursing, and apprenticeship programs. Through private purchase and urban renewal funds, the College not only acquired many buildings that would make up the College's main campus, but led the way in developing the North Washington Square and contributing to a revitalization of downtown Lansing. The average age of all the buildings is 45.5 years old, presenting an ongoing challenge to the College's Physical Plant staff. The age and construction of many of the building 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 insufficient funds.

Lansing Community College 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 27 community colleges. In 1997, the College ranked last at 96 square feet per FYES. Today, Lansing Community College is still fifth from the last in square feet per fiscal year equated students.

Adopted Strategic Plan Drives Facilities Planning

The College's strategic plan describes 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 Board of Trustees updated the plan in 2005 to cover the period from 2006 to 2011.

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.
- 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 the 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 2006-2011 Strategic Plan, which consists of statements of purpose, Strategic Drivers, Areas of Priority Need, Strategic Initiatives, and Results/Metrics.

In 2006-2007, 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 summary of the strategic drivers and priority needs follows.

Strategic Drivers

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

Nearly two-thirds of LCC's current and future students were born after 1980. Researchers refer to these students as "Millennials" and characterize them as team oriented, public service prone, diverse and diversity advocates, digital media users, high achievers and college bound.

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

Areas of Priority Need

Areas of Priority Need are broad programs and services that the College's 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 Campus 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 Campus Master Plan focuses on maintaining or improving facilities through 2015. Lansing Community College updates the facilities assessment plan annually to assure campus buildings and grounds are proactively being maintained and buildings systems are repaired or replaced to preclude system failure. This provides the Physical Plant with up to date data and a maintenance and replacement plan that forecast necessary facilities improvements through 2015.

On-going Initiatives and New Initiatives

Based on planning conducted in past Campus Master Plans, the College has made substantial progress toward improving its facilities, particularly its instructional space. 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:

- Science Classrooms - Lansing Community College needs to renovate the Arts & Sciences Building to address the enrollment demand in the general education and science programs. New general education and science classrooms and laboratories are desperately needed. Lansing Community College will submit a \$19.95 million Capital Outlay Project Request for an expanded science classroom facility.
- Gannon Building – The “One Stop” area on the second floor of the Gannon Building provides enrollment services, registration, financial aid office, advising/counseling services, cash operations, parking and ID Services, and Police & Public Safety requires extensive renovations. To facilitate the A&S renovations, the cafeteria in A&S will be moved to the Gannon Building on the second floor. The cost to make these improvements is estimated at \$8.1 million.

- Parking Supply - Lansing Community College chronically suffers from a parking supply shortage at the downtown campus. Administrators continue to explore solutions for improving parking supply while maintaining the existing parking system. The College has an agreement with the City of Lansing to lease 210 additional parking spaces through June 2012 to address the parking supply shortage. Also, the College intends to construct a new 120 parking space surface lot on the north end of the downtown campus in the spring/summer of 2011.
- 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 HSS Third Floor (approximately 5,500 sq. ft.) is planned to provide three general classrooms and additional faculty offices.
 - Hospitality and Performing Arts Programs – program growth and trends in workforce development necessitate expanding the facilities to support these programs.
 - West Campus – a high bay training facility for industrial, advanced manufacturing, utility pole/line worker training, smart grid technologies, alternative energy, and construction technology could be constructed on one of the parcels of vacant land.
 - Aviation Center – the existing facilities are antiquated requiring extensive repairs and renovations to facilitate program success and growth.
 - Additional storage building for West Campus Technical Career programs. The implementation of these capital projects are on-hold until funding sources are identified.

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 Campus 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	FY12	FY13	FY14	FY15
Architectural	\$300,000	\$1,805,000	\$384,000	\$440,000
Electrical	\$2,139,886	\$50,000	\$285,000	\$200,000
Envelope	\$80,000	\$80,000	\$1,180,000	\$1,010,000
Maintenance	\$160,500	\$114,000	\$36,000	\$198,500
Mechanical	\$593,700	\$155,000	\$595,000	\$216,500
Other	\$0	\$450,000	\$75,000	\$150,000
Roof				
Repair/Replace	\$0	\$235,000	\$325,000	\$725,000
Site Repairs	\$0	\$200,000	\$220,000	\$285,000
Grand Total	\$3,274,086	\$3,089,000	\$3,100,000	\$3,075,000

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 (For more about this model see the Guidelines for Development of Budget Recommendations for Consideration section on page 59). 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 categories:

1. Non Capital Equipment
2. Institutional Expenses
3. Utilities
4. Liability Insurance
5. Professional Services
6. Purchased Services
7. Rental Expense
8. Repair and Maintenance
9. Supplies
10. 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. The 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 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, 2010. This is the second 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, 2010

A stylized, handwritten signature in black ink, likely belonging to the President of the GFOA.

President

A handwritten signature in black ink, identified as Jeffrey R. Emen, the Executive Director.

Executive Director

FY2011-12 BUDGET ESTABLISHMENT BUDGET TIMELINE

1/10/11 to 1/20/11	Individual Divisions present FY2012 budget changes (funding and savings proposals) to Senior VP's and Finance for consideration of inclusion in the Administration's proposal to Board of Trustees
2/28/11	Program Analysis presentation and recommendations at February Board of Trustees meeting
3/15/2011	Present FY2011 reconciliation for approval at Board meeting
6/5/2011	Present FY2012 budget proposal at Board workshop
6/20/2011	FY2012 Budget Public Hearing prior to Board Meeting Present FY2012 budget proposal for approval at Board Meeting

At the November 22, 2010 Board Meeting, the Administration presented an overview of economic assumptions revenues and expenditures for the FY2012 Budget that projected a \$10.1 million deficit in funding. The projection assumed a 20% reduction in state appropriations and 7% decline in property tax revenue, flat tuition and fees revenue and maintaining salaries and services and supplies constant with FY2011.

Guidelines for Development of Budget Recommendations for Consideration

1. Begin with the FY 2010-11 baseline. A baseline was prepared with the following assumptions
 - a. For enrollment planning purposes, we assume that the number of sections from FY 2010-2011 remain constant
 - b. No increase in authorized FTEs
 - c. No increase in salaries
 - d. 20% reduction in state appropriations, 7% decline in property taxes,
 - e. No inflationary growth in supplies & services, nor in General Fund Capital Budget Transfers
2. All Divisions must present, for review, a plan to cut 10%. Reductions are not expected to be across-the-board and all reduction proposals may not be incorporated into the Budget Proposal.
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. Decisions resulting from the Academic Program Analysis will be incorporated into the FY 2011-12 Budget Recommendation to the Board
7. Initiatives include the following:
 - a. Funding for innovation to keep pace with new technology
 - b. Funding for student success initiatives
 - c. Funding for new revenue sources
 - d. Financial improvement initiatives that require investment to increase revenue or decrease expenses in the future
 - e. Non discretionary cost increases in services and supplies

The Early College

The College received a grant for The Early College to provide alternative, dual enrollment opportunities for high school diploma and college credit to students. Grant funding and funding from state head count allowances are substantial, but careful enrollment and expense management will be required to break even. LCC's share is accounted for in match funding, along with all other grant matches, for example Perkins and Trio. For more information on specific grants, see the section titled FY2012 Active Grant Funds Detail, beginning on page 83.

Capital Projects

Capital projects for 2012 are as follows:

Capital Projects 2012	
Capital Project Arts & Science Building	\$1,113,267
Degree Works, Flex Reg Implementation	\$76,020
Great Lakes Utility Training Center - Phase 2	\$45,215
Sustainable Energy Education Center	\$50,000
Reconfigure West Campus classrooms	\$50,000
Total FY2012	\$1,334,502

The Michigan Legislature approved \$9.975 million in the Capital Outlay bill for renovation of the Arts & Sciences (A&S) Building which, combined with bond issue, will allow the College to transform the A&S building for the benefit of our students and faculty. The \$19.95 million project will add 10 new science labs, allowing us to accommodate enrollment growth and enrich learning by teaching the science of tomorrow. Nine general classrooms will also be added.

For more information on Capital projects see pages 45-49 Campus Master Plan.

Program Review Recommendations

Lansing Community College is at a unique confluence of urgent and compelling challenges. The economy is redefining educational requirements for high-skill-high-wage/high-demand jobs. A growing concern exists that providing access to students is

not enough and that colleges must also assume responsibility for increasing success rates. For decades, LCC continued to add new courses and programs while rarely shrinking or eliminating any. Colleges can no longer strive to be all things to all people; rather, they must focus resources on the mission and program excellence. Traditional approaches, like across-the-board cuts, tend to promote mediocrity for all programs. Program review provides a systematic, data-driven approach to decision making that will help make changes to LCC's programs in to refocus the offerings on those subjects that will truly help people find viable work in a rapidly changing economy. In the cases where competitors can offer the same instruction for less, the best investment for taxpayers is to phase out those programs. While challenging economic times are a concern for everyone, financial considerations were not the sole driver of the evaluation. For example, many programs – such as nursing, dental hygiene, and fire science academy – are costly programs to offer but they fill a critical public need and graduates in these fields earn high wages. The majority of allied health professionals, police and fire personnel in the greater Lansing community receive their training at LCC. This first-of-its-kind comprehensive program review provides a roadmap for similar and regular reviews in the coming years to ensure that LCC is meeting the needs of its students and area employers as well as playing a leading role in mid-Michigan's economic diversification and job growth.

In December, 2009, the College presented to the Board of Trustees a framework for Program Analysis to provide foundational information about each academic program so that decision-making would be based on sound criteria.

At the February 16, 2011, Board of Trustees meeting, the results of the analysis were presented to the Board (see Program Review section for more details on potential outcomes). The President commented, "Community colleges were formed across the nation in the 1960's and 1970's. Michigan was a leader among the states. Community colleges were meant to be affordable to all. The funding of community colleges was designed so tuition could be low. Community colleges were formed to enable two primary functions; university transfer studies the first two years of college and career programs. It was thought that most people would earn an associate's degree and transfer or earn an associate's degree in a career field and join the workforce. The associate's degree was to be a commonly held degree between a high school diploma and a bachelor's degree, but it didn't turn out that way. The associate's degree did not become what the founders had envisioned; instead all too many people have taken several courses and did not earn a degree or a credential when they attended a community college. Three courses do not constitute success; it is not helpful to local economy nor is it sufficient to compete for a job. My message to the community is all are invited to attend Lansing Community College and that access is essential. We are determined that LCC continues to be affordable and that our tuition remains low. Should one attend Lansing Community College, it is important that you study, persist, earn a degree, a certificate or a competency and complete a goal so that you can successfully compete in the workplace, for a good job, at a good wage. We are committed to student success at Lansing Community College. Dr. Shanblatt, our Chief Academic Officer and our Deans have worked for more than a year at reviewing our courses and programs to better align us with pathways to student success. I am proud

of the work of Dr. Shanblatt and the Deans. Her presentation tonight, I think, will be among one of the most important presentations at Lansing Community College that have occurred in this Boardroom”.

The Board passed a resolution that authorized the President to proceed with contractually specified procedures relating to program changes and program eliminations and, after due consideration of any recommendation made by Michigan Association of Higher Education (MAHE) or any of the labor coalition, or employers of the community, as well as LCC’s students, to make such transfers, reassignments, non-renewal, layoffs and other personnel transactions as necessary to fully implement the administration’s decisions concerning Program Analysis after Board of Trustees approval.

The program review results were widely shared through forums and website access. Input was sought from all stakeholders. Many responded with testimony at the Board’s next several meetings. The Administration’s recommendations were sent to MAHE, which represents LCC’s faculty, in accordance with contractual language, for reviewing and response. Program savings of \$771,000 were incorporated into the final Budget Proposal.

Tuition formula

Since 2006, the College has been moving toward a tuition formula that brings Out of District, Out of State and International Tuition Rates to the tuition formula of 2 times, 3 times and 3.5 times In-district rates, respectively. The results of implementing the formula estimated to be \$2.3 million in FY2012, shown in the chart below, were included in the Administration’s proposal.

Residency	Current Tuition Rate	Tuition Formula Compared to In District Rate	Impact to Align Tuition to Formula	Proposed Tuition Rate to Align	Number of Billable Hours	Revenue Impact
In District	\$76				316,103	
Out of District	\$140	2 times	\$12	\$152	157,023	\$1,884,276
Out of State	\$210	3 times	\$18	\$228	2,486	\$44,748
International	\$216	3.5 times	\$50	\$266	8,095	\$404,750
TOTAL					483,707	\$2,333,774

In April, the President informed the Executive Leadership Team that too many unknowns existed to present a budget proposal to the Board in May. Both state appropriations and labor contract negotiations were not finalized. State appropriation

proposals varied widely, from 0% to 20% reduction. The budget workshop and public hearing were delayed until June. In May, it became clear that the state intended to reduce appropriations to LCC by 4.2%.

On June 6, 2011, the Administration's FY2011 Budget proposal was presented in a workshop. At the workshop, the Board and attending public were shown the initial budget gap of \$5.68 million.

With labor negotiations recommendations and non discretionary funding increases, the projected balance gap became \$7.41 million. The meeting was reminded of the numerous ongoing initiatives begun in FY2011. Next, divisional recommendations for discretionary funding proposals, revenue proposals, savings proposals, reduction in force recommendations, program analysis recommendations closed the gap to \$4.27 million.

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

Residency	Current Tuition Rate	Proposed Increase Fall 2012	Proposed Tuition Rate Fall 2012
In District	\$76	\$3	\$79
Out of District	\$140	\$18	\$158
Out of State	\$210	\$27	\$237
International	\$216	\$60	\$276

Deferring strategic initiatives, further involuntary staff reduction in force or using College unrestricted reserves were considered to balance the budget but not included in the Administration's recommendations.

The Board asked that the Administration prepare an additional option for consideration that proposes a \$2 increase in In-District tuition as well as the \$3 increase, detailing the differences.

On June 20, 2011, a public hearing was held for the FY 2012 budget immediately prior to the Board of Trustees regular meeting. The Board adopted the Administration's proposed budget as recommended at their regular meeting, approving the tuition structure described above.

Fiscal Year 2012 Proposed Budget

Revenues

Total revenues are projected to exceed \$131 million.

State Appropriations – The State's FY12 appropriation to Lansing Community College is reduced by the formula cut of 4.2%. In addition, At-Risk program support of \$141,900 has been moved from restricted to General Fund for a net reduction of 3.7%. (At-Risk program costs have been ADDED to LCC General Fund expenses and incorporated in this budget proposal.)

Property Taxes – For FY12, property tax revenue is estimated to decrease by 3.6%. The College has included a conservative assumption for uncollectible property taxes in both FY11 and FY12. This overall decrease of 3.6% compares to a decrease of 6.5% in FY11 and 1.1% in FY10 and increases of 1.0% in FY09 and 5.9% in FY08. The College's millage rate will remain at 3.8072 mills.

Tuition and Fees – The budget of \$61,887,722 in tuition and fees assumes increases in Extension Center enrollment and an increase in tuition rates for in-district, out-district, out-state and international students of \$3, \$18, \$27 and \$60, respectively. Fee increases as previously approved by the Board and fees related to Program Analysis 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 2.4% compared to 2.6% in FY11, 2.6% in FY10, and 2.9% in FY09. This is an offset to Tuition and Fee Revenue.

Other Revenues – Other revenues include contracted training (non credit) from the Business and Community Institute (BCI), the College's contracts with the Eaton Intermediate School District (EISD) and the Clinton County Regional Educational Services Agency (CCRESA), interest income, revenue from the Capital Quality Initiative (CQI), University Center income, rental income, sales of miscellaneous items and other miscellaneous revenues and fees (such as graduation fees, summer camps, fitness memberships, etc.). The College projects a total increase in Other Revenue of 6.1%.

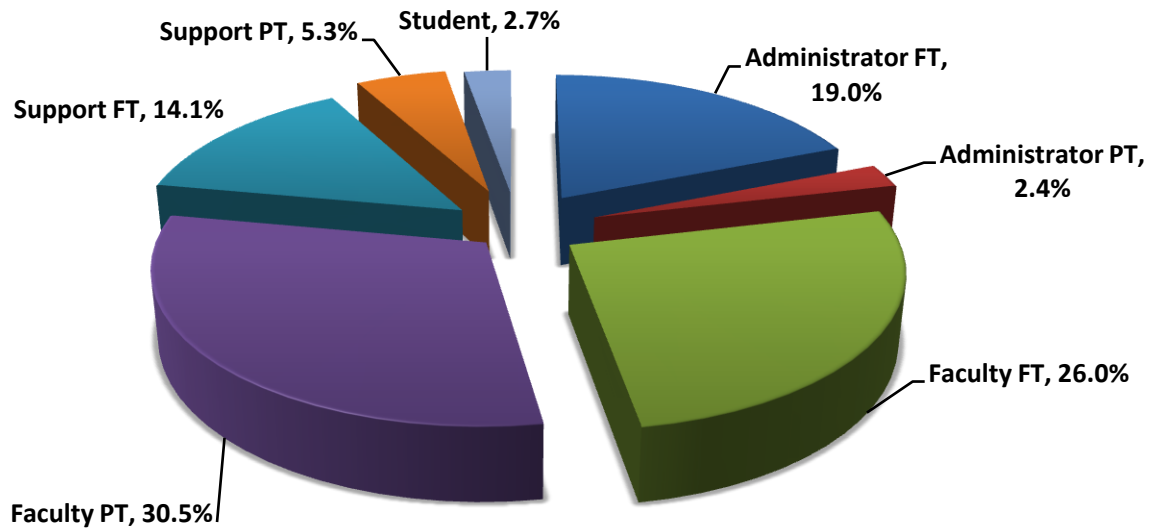
Summary of Fiscal Year 2012 General Fund Revenues

General Fund Revenues					
Total Revenues	2009 Actual	2010 Actual	2011 Budget as Amended	2012 Proposed	Percent change 2011 to 2012
State Appropriations	\$ 29,762,500	\$ 29,762,500	\$ 29,762,500	\$28,651,900	-3.7%
Property Taxes	\$ 42,147,127	\$ 41,681,598	\$ 38,939,500	\$37,557,148	-3.6%
Tuition and Fees	\$ 49,568,717	\$ 53,341,935	\$ 57,112,282	\$ 61,887,722	8.4%
Other Revenue	\$ 2,986,480	\$ 2,952,461	\$ 2,900,000	\$ 3,077,000	6.1%
Total	\$124,464,824	\$127,738,494	\$128,714,282	\$131,173,770	1.9%

Operating Budgets

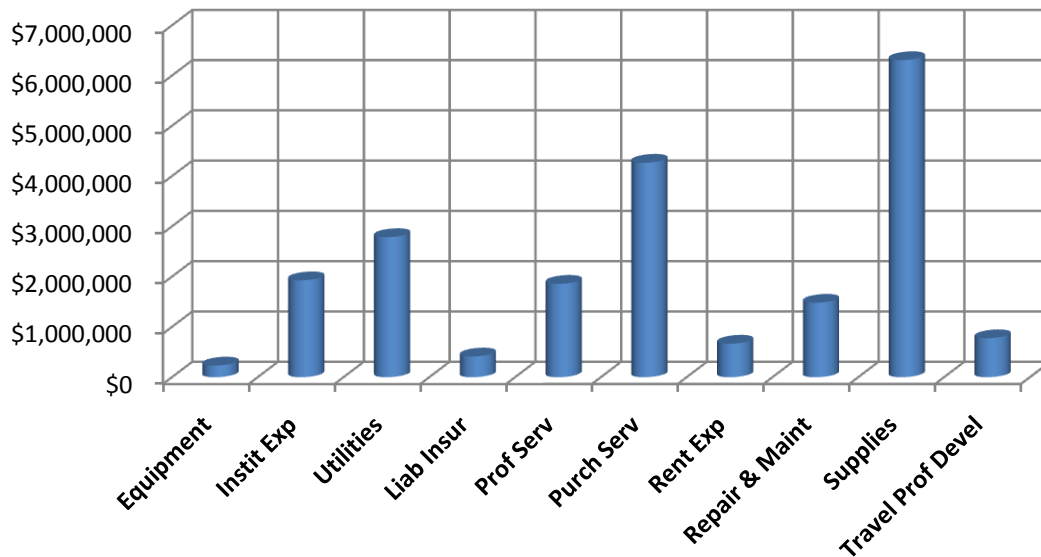
Salaries, Wages, and Benefits – Salaries and benefits will comprise 67.7% of all general fund expenditures in FY12. This is compared to 68.0% in the FY11 amended budget. The College's contribution to the Michigan Public School Employees Retirement System (MPERS) will be 24.46% of salaries and wages effective October 2011 compared to 20.66% in October 2010. Only those full-time administrators and faculty who have chosen the College's optional retirement program (ORP) do not participate in MPERS. The College pays 12% of salaries for those individuals selecting the ORP. Health care costs are projected to increase by 8%, per the Health Care Task Force agreement. Other benefit costs include dental, vision, social security payroll taxes, tuition benefits, life and disability insurance and workers' compensation.

Salary & Wage Costs by Category FY2012



Services and Supplies – Services and supplies are increased 5.1% from FY11 amended budget. This includes the projected financial improvement initiatives.

Services & Supplies by Category FY2012



Contingency – The proposed Contingency budget for FY12 is \$1,311,738 or 1% of the proposed expenses.

Transfers

Child Care Scholarships - It is anticipated that \$254,142 will be sufficient for FY12. This is the same level as FY11.

Institutional Scholarships - It is proposed that the budget for institutional scholarships be increased 3.9% from FY11 to \$1,376,537 to duplicate the increase in in-district tuition. This budget funds departmental, honors, athletic, and Board of Trustees scholarships.

Capital Budgets

Major Equipment – The FY12 budget is \$1,134,500. The portion allocated for classroom media replacement of \$280,000 has been transferred to technology replacement.

Debt Service - \$7,642,446 is budgeted here for principal and interest payments and includes the two recent bond issues. (See Debt Service p.88)

Plant Improvement – The FY12 budget is proposed at the same level as FY11, for a total of \$3,075,000. The College currently owns and maintains approximately 1.5 million square feet of space.

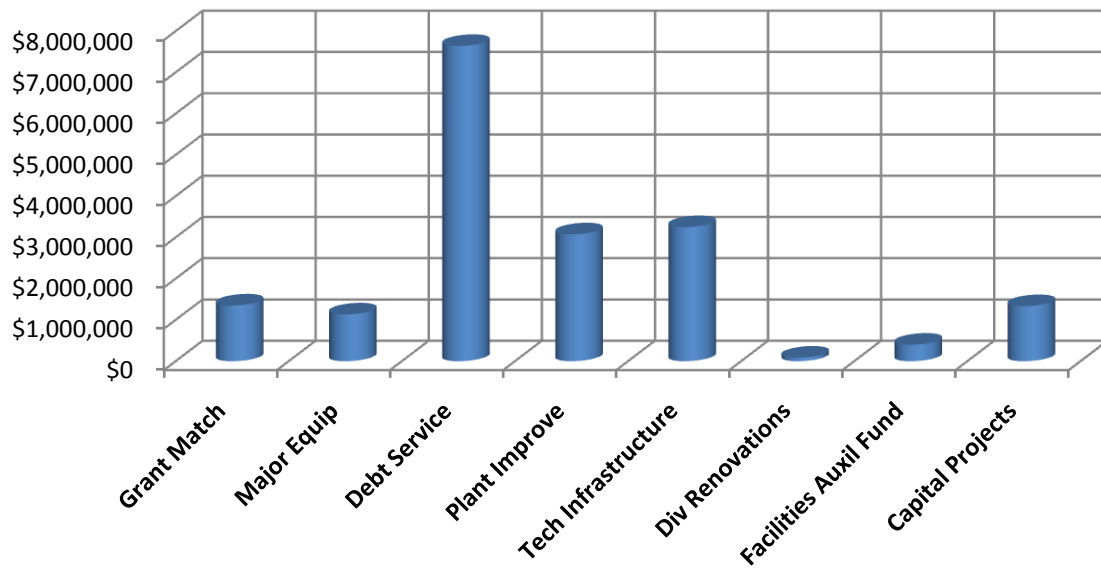
Technology Infrastructure – The FY12 budget is proposed at \$3,250,000. This includes the transfer of \$280,000 from major equipment and an increase of \$470,000 for classroom media replacement.

Division Renovations – The FY12 budget maintains this budget at the FY11 level of \$87,125.

Facilities Auxiliary Fund – The FY12 budget is proposed at the same level as FY11, for a total of \$400,000.

Capital Projects -2011 – The FY12 budget continues funding for projects approved by the Board of Trustees. These include 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 to complete the renovations to A&S.

Capital Budgets FY2012



Tuition Increase Considerations

The College's current in-district tuition rate of \$76 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 FY2012
In-District	\$76.00	\$79.00	\$86.00
Out-of-District	\$140.00	\$158.00	\$139.00
Out-of-State	\$210.00	\$237.00	\$191.00
International	\$216.00	\$276.00	\$191.00

BUDGET DETAIL

AND

FINANCIAL INFORMATION

LANSING COMMUNITY COLLEGE

Operating and Capital Budgets

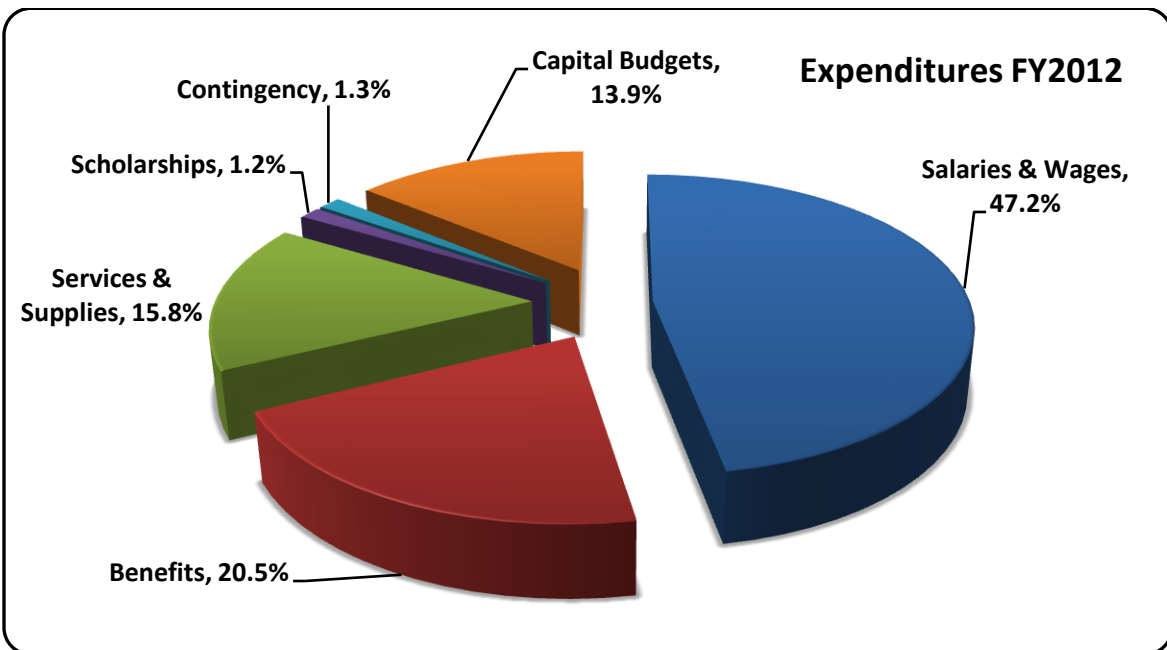
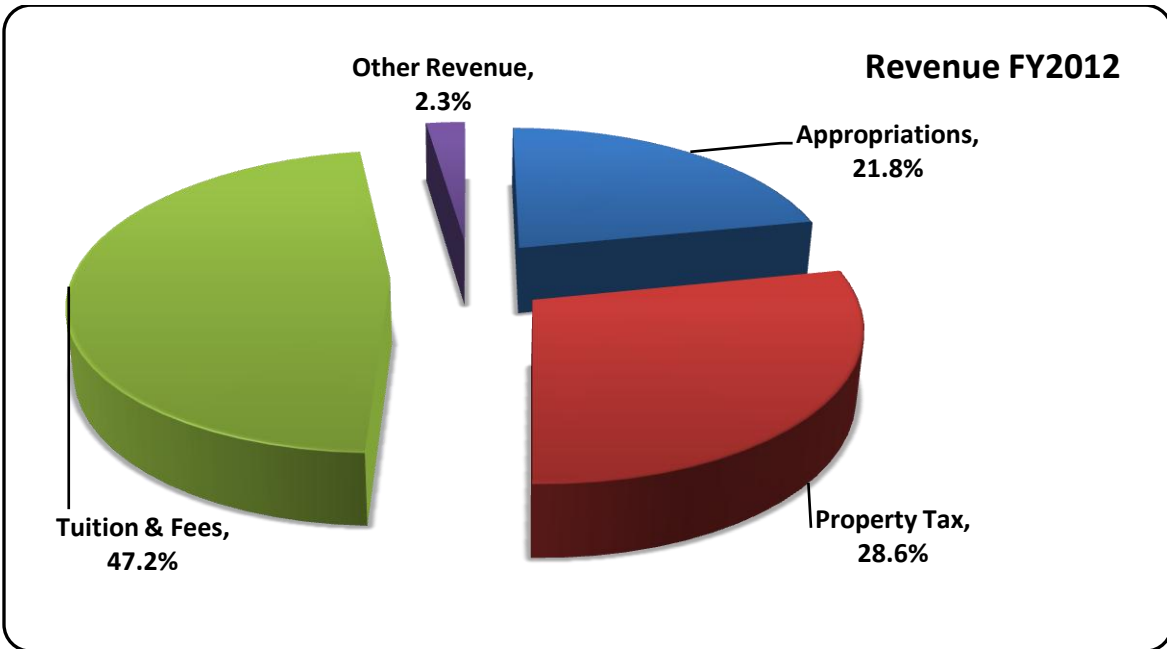
Proposed Budget Fiscal Year 2012

	Total Proposed FY2012 Budget	
<u>Revenues</u>		
State Appropriations	\$28,651,900	
Property Taxes	\$37,557,148	
Tuition & Fees	\$61,887,722	
Other Revenues	\$3,077,000	
Use of Fund Balance	\$0	
Total Revenues		\$131,173,770
<u>Operating Budgets</u>		
Salaries & Wages	\$61,875,760	
Employee Benefits	\$26,923,260	
Total Salaries + Benefits	\$88,799,020	
 Services & Supplies	 \$20,720,820	
General Institutional Scholarships	\$1,376,537	
Child Care Scholarship	\$254,142	
Total Operating Budgets		\$111,150,519
 Contingency		 \$1,311,738
Negotiations Contingency		\$437,500
<u>Capital Budgets</u>		
Grant Match	\$1,350,440	
Major Equipment	\$1,134,500	
Debt Service, all Issues	\$7,642,446	
Plant Improvement	\$3,075,000	
Technology Infrastructure	\$3,250,000	
Division Renovations	\$87,125	
Facilities – Auxiliary Fund	\$400,000	
Capital Projects-2011	\$1,335,502	
Total Capital Budgets		\$18,274,013
Total Allocation/Expenditures		\$131,173,770
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 2012



LANSING COMMUNITY COLLEGE

Comparison of Proposed FY2012 Budget to FY2011 and FY2010

	FY 2010	FY 2011	Change from	FY 2012	Percent
	Actual	Actual	FY 2011	Proposed	Change
<u>Revenues</u>					
State Appropriations	\$29,762,500	\$29,762,500	(\$1,110,600)	\$28,651,900	-3.7%
Property Taxes	\$41,681,598	\$40,359,554	(\$2,802,406)	\$37,557,148	-6.9%
Tuition & Fees	\$53,341,935	\$57,446,240	\$4,441,482	\$61,887,722	7.7%
Other Revenues	\$2,952,461	\$3,155,419	(\$78,419)	\$3,077,000	-2.5%
Total Revenues	\$127,738,494	\$130,723,713	\$450,057	\$131,173,770	0.3%
<u>Operating Budgets</u>					
Salaries & Wages	\$63,174,473	\$62,318,528	(\$442,768)	\$61,875,760	-0.7%
Employee Benefits	\$23,292,389	\$23,941,747	\$2,981,513	\$26,923,260	12.5%
Total Salaries + Benefits	\$86,466,862	\$86,260,275	\$2,538,745	\$88,799,020	2.9%
Services & Supplies	\$18,679,619	\$18,097,003	\$2,623,817	\$20,720,820	14.5%
General Institutional Scholarships	\$1,270,719	\$1,287,288	\$89,249	\$1,376,537	6.9%
Child Care Scholarship	\$259,602	\$251,100	\$3,042	\$254,142	1.2%
Total Operating Budgets	\$20,209,940	\$19,635,391	\$2,716,108	\$22,351,499	13.8%
Contingency	\$0	\$0	\$1,311,738	\$1,311,738	0.0%
Negotiations Contingency	\$0	\$0	\$437,500	\$437,500	0.0%
Promise Scholarship Replacement	\$952,233	\$0	\$0	\$0	0.0%
Severance - VRSIP	\$734,523	\$0	\$0	\$0	0.0%
Total	\$1,686,756	\$0	\$1,749,238	\$1,749,238	0.0%
<u>Capital Budgets</u>					
Grant Match	\$1,058,578	\$1,080,620	\$269,820	\$1,350,440	25.0%
Major Equipment	\$1,414,500	\$1,414,500	(\$280,000)	\$1,134,500	-19.8%
Debt Service, all Issues	\$7,609,684	\$7,637,958	\$4,488	\$7,642,446	0.1%
Plant Improvement	\$3,075,000	\$3,075,000	\$0	\$3,075,000	0.0%
Technology Infrastructure	\$3,000,000	\$2,500,000	\$750,000	\$3,250,000	30.0%
Division Renovations	\$87,125	\$87,125	\$0	\$87,125	0.0%
Facilities-Auxiliary Fund	\$400,000	\$400,000	\$0	\$400,000	0.0%
Capital Projects	\$950,996	\$1,733,087	(\$398,585)	\$1,334,502	-23.0%
Total Capital Budgets	\$17,595,883	\$17,928,290	\$345,723	\$18,274,013	1.9%
Total Revenues	\$127,738,494	\$130,723,713	\$450,057	\$131,173,770	0.3%
Total Allocation/Expenditures	\$125,959,441	\$123,823,956	\$7,349,814	\$131,173,770	5.9%
Change in Net Assets	\$1,779,053	\$6,899,757		\$0	
Use of Desig Funds - change in encumb	(\$103,023)	\$593,754		\$0	
Use of Desig Funds – Legal and/or Plant	(\$1,676,030)	(\$7,493,511)		\$0	
Total change in unrestricted net assets	\$0	\$0		\$0	
Unrestricted General Fund Beg of Year	\$17,999,310	\$17,999,310		\$17,999,310	
Unrestricted General Fund End of Year	\$17,999,310	\$17,999,310		\$17,999,310	
Unrestricted Gen. Fund Target (10% Exp)	\$12,595,944	\$12,382,396		\$13,117,377	

Comparison of Proposed FY2012 Budget to FY2011 and FY2010 (continued)

Operating Budgets

	FY 2010	FY 2011	Change from	FY 2012	Percent
	Actual	Actual	FY 2011	Proposed	Change
<i>Operating Budgets - Divisions</i>					
Academic Affairs	\$1,308,385	\$2,133,084	\$445,298	\$2,578,382	20.9%
Administrative Services	\$10,301,594	\$10,465,638	\$437,048	\$10,902,686	4.2%
Advancement & External Affairs	\$3,460,476	\$2,935,142	\$76,542	\$3,011,684	2.6%
BCI	\$1,926,730	\$0	\$0	\$0	0.0%
Board of Trustees	\$329,980	\$266,893	(\$42,865)	\$224,028	-16.1%
Business Media and Info Technologies	\$9,196,200	\$0	\$0	\$0	0.0%
Extended Learning & Professional Studies	\$0	\$4,492,655	\$351,918	\$4,844,573	7.8%
Financial Services	\$3,578,160	\$3,076,243	(\$464,488)	\$2,611,755	-15.1%
Human Resources	\$1,845,572	\$1,409,036	\$307,766	\$1,716,802	21.8%
Human, Health Services	\$8,913,934	\$11,241,425	\$40,076	\$11,281,501	0.4%
Information Technology Services	\$8,716,077	\$8,779,736	\$1,687,950	\$10,467,686	19.2%
Liberal Studies/Arts & Science	\$27,697,867	\$32,085,786	\$1,358,810	\$33,444,596	4.2%
President's Office	\$2,252,626	\$3,382,032	\$646,292	\$4,028,324	19.1%
Quality, Planning & Economic Development	\$0	\$0	\$0	\$0	0.0%
Strategic Planning & Partnerships	\$4,124,324	\$0	\$0	\$0	0.0%
Student Services & SEM	\$11,478,861	\$11,848,832	\$586,102	\$12,434,934	4.9%
Technical Careers	\$10,015,696	\$12,240,776	(\$267,887)	\$11,972,889	-2.2%
Total all Divisions	\$105,146,482	\$104,357,278	\$5,162,562	\$109,519,840	4.9%
<i>Operating Budgets - Account</i>					
Administrator Full Time	\$11,277,763	\$11,224,810	\$503,210	\$11,728,020	4.5%
Administrator Part Time	\$1,515,012	\$1,359,368	\$156,162	\$1,515,530	11.5%
Faculty Full Time	\$15,992,651	\$15,829,364	\$271,316	\$16,100,680	1.7%
Faculty Part Time	\$20,136,038	\$20,254,095	(\$1,403,485)	\$18,850,610	-6.9%
Support Full Time	\$9,327,570	\$8,930,684	(\$207,004)	\$8,723,680	-2.3%
Support Part Time	\$3,199,566	\$3,208,819	\$50,441	\$3,259,260	1.6%
Student	\$1,725,873	\$1,511,388	\$186,592	\$1,697,980	12.3%
Total Salaries and Wages	\$63,174,473	\$62,318,528	(\$442,768)	\$61,875,760	-0.7%
Employee Benefits	\$23,292,389	\$23,941,747	\$2,981,513	\$26,923,260	12.5%
Non Capital Equipment	\$191,472	\$202,810	\$30,263	\$233,073	14.9%
Institutional Expenses	\$2,472,512	\$2,085,771	(\$157,810)	\$1,927,961	-7.6%
Utilities	\$2,442,929	\$2,783,700	\$3,937	\$2,787,637	0.1%
Liability Insurance	\$425,940	\$479,076	(\$66,036)	\$413,040	-13.8%
Professional Services	\$1,902,498	\$1,685,722	\$172,905	\$1,858,627	10.3%
Purchased Services	\$4,010,178	\$3,585,753	\$681,281	\$4,267,034	19.0%
Rental Expense	\$663,785	\$630,473	\$36,437	\$666,910	5.8%
Repair and Maintenance	\$1,155,383	\$1,197,679	\$284,486	\$1,482,165	23.8%
Supplies	\$4,747,426	\$4,848,381	\$1,460,142	\$6,308,523	30.1%
Travel, Training and Conferences	\$667,496	\$597,638	\$178,212	\$775,850	29.8%
Total Services and Supplies	\$18,679,619	\$18,097,003	\$2,623,817	\$20,720,820	14.5%
Total Division Operating	\$105,146,481	\$104,357,278	\$5,162,562	\$109,519,840	4.9%
General Institutional Scholarships	\$1,270,719	\$1,287,288	\$89,249	\$1,376,537	6.9%
Childcare Scholarships	\$259,602	\$251,100	\$3,042	\$254,142	1.2%
Total College Operating	\$106,676,802	\$105,895,666	\$5,254,853	\$111,150,519	5.0%

Summary Table of Budgeted Fulltime Positions FY2010 – FY2012

Division	Job type	FY10	FY11 Adopted	FY11 Amend #3	Change from FY11 Amend #3	FY12 Proposed
Academic Affairs	Administrative	3.83	4.83	7.90	(1.00)	6.90
	Faculty	2.50	2.50	2.50	3.00	5.50
	Support	3.00	3.00	9.00	(1.00)	8.00
Academic Affairs Total		9.33	10.33	19.40	1.00	20.40
Administrative Services	Administrative	5.00	5.00	5.00	0.00	5.00
	Support	38.00	37.75	37.75	(1.00)	36.75
Administrative Services Total		43.00	42.75	42.75	-1.00	41.75
Advancement & External Affairs	Administrative	11.35	12.35	10.75	(1.00)	9.75
(Formerly College Advancement)	Support	10.65	9.65	9.00	(2.00)	7.00
Advancement & External Affairs Total		22.00	22.00	19.75	-3.00	16.75
BCI/Corporate College	Administrative	8.00	7.00	0.00	0.00	0.00
	Support	5.85	5.85	0.00	0.00	0.00
BCI/Corporate College Total		13.85	12.85	0.00	0.00	0.00
Board of Trustees	Administrative	1.00	1.00	1.00	0.00	1.00
	Support	0.00	0.00	0.00	0.00	0.00
Board of Trustees Total		1.00	1.00	1.00	0.00	1.00
Business Media & Information Technologies	Administrative	4.00	4.00	0.00	0.00	0.00
	Faculty	38.00	38.00	0.00	0.00	0.00
	Support	5.00	5.00	0.00	0.00	0.00
Business Media & Information Technologies Total		47.00	47.00	0.00	0.00	0.00
Extended Learning and Professional Studies (ELPS)	Administrative	0.00	0.00	13.00	1.00	14.00
	Support	0.00	0.00	8.85	(1.00)	7.85
ELPS Total				21.85	0.00	21.85
Financial Services	Administrative	11.00	10.00	10.00	0.00	10.00
	Support	16.75	16.75	18.75	0.00	18.75
Financial Services Total		27.75	26.75	28.75	0.00	28.75
Health and Human Services	Administrative	14.50	14.50	17.50	0.00	17.50
	Faculty	26.19	25.99	30.43	1.00	31.43
	Support	6.00	7.00	7.00	1.00	8.00
Health & Human Services Total		46.69	47.49	54.93	2.00	56.93
Human Resources	Administrative	9.00	7.00	7.00	0.00	7.00
	Faculty	0.50	0.00	0.00	0.00	0.00
	Support	5.25	4.00	4.00	0.00	4.00
Human Resources Total		14.75	11.00	11.00	0.00	11.00

Summary Table of Budgeted Fulltime Positions FY2010 – FY2012 (continued)

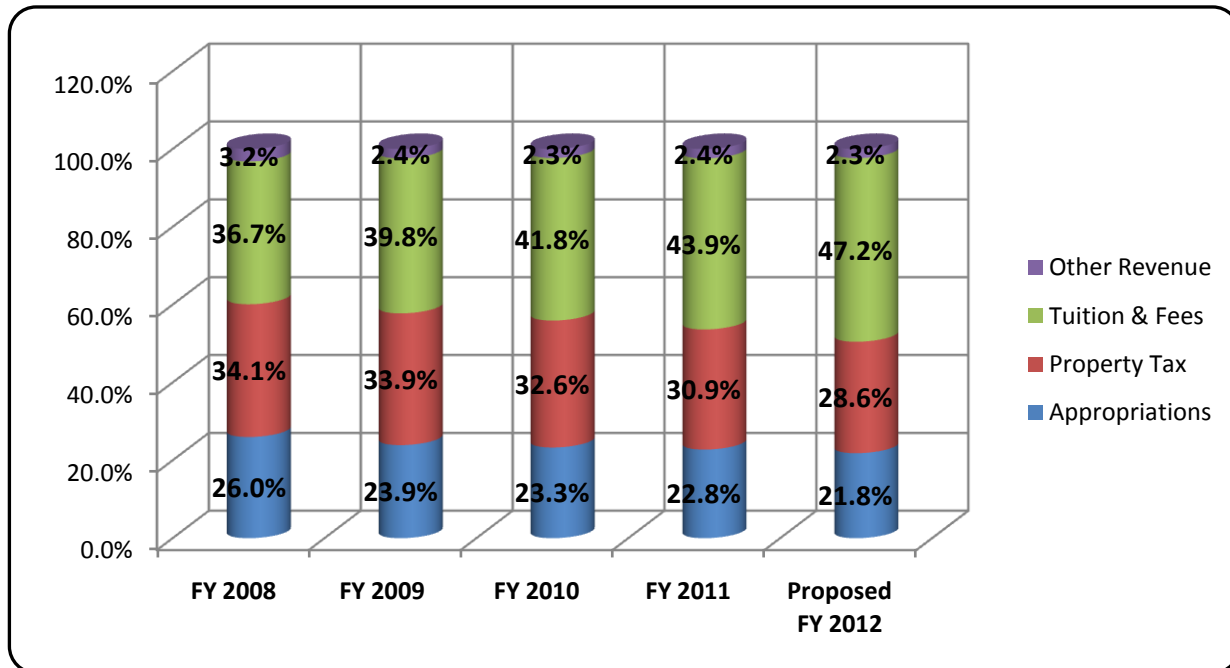
Division	Job type	FY10	FY11 Adopted	FY11 Amend #3	Change from FY11 Amend #3	FY12 Proposed
Information Technology Services	Administrative	18.00	20.00	20.00	1.00	21.00
	Faculty	1.00	1.00	1.00	0.00	1.00
	Support	24.00	23.00	23.00	(1.00)	22.00
Information Technology Services Total		43.00	44.00	44.00	0.00	44.00
Arts & Sciences	Administrative	17.75	17.50	20.00	(2.00)	18.00
(Formerly Liberal Studies)	Faculty	105.69	102.44	122.25	(1.25)	121.00
	Support	15.23	14.00	18.00	(6.00)	12.00
Arts & Sciences Total		138.67	133.94	160.25	-9.25	151.00
Executive Offices	Administrative	5.00	5.00	9.35	0.29	9.64
(Formerly Office of the President)	Faculty	0.25	0.00	0.25	0.25	0.50
	Support	2.00	3.00	6.65	0.00	6.65
Executive Offices Total		7.25	8.00	16.25	0.54	16.79
Student Services	Administrative	22.46	22.13	26.38	0.00	26.38
	Faculty	15.27	15.27	16.27	0.50	16.77
	Support	36.69	38.69	37.69	(1.00)	36.69
Student Services Total		74.42	76.09	80.34	-0.50	79.84
Strategic Planning & Partnerships	Administrative	12.00	11.00	0.00	0.00	0.00
	Faculty	1.00	1.00	0.00	0.00	0.00
	Support	11.00	12.00	0.00	0.00	0.00
Strategic Planning & Partnerships Total		24.00	24.00	0.00	0.00	0.00
Technical Careers	Administrative	5.00	6.00	7.00	0.00	7.00
	Faculty	39.00	38.00	52.00	(3.50)	48.50
	Support	8.00	7.00	7.00	1.20	8.20
Technical Careers Total		52.00	51.00	66.00	-2.30	63.70
Grand Total		564.71	558.2	564.71	-12.51	553.76
Administrative		147.89	147.31	147.89	-1.71	153.17
Faculty		229.40	224.20	229.40	0.00	224.7
Support		187.42	186.69	187.42	-10.80	175.89

LANSING COMMUNITY COLLEGE

SOURCES OF REVENUE

Five Year Trend

Account Description	FY 2008	FY 2009	FY 2010	FY 2011	Proposed FY 2012
Appropriations	\$31,810,203	\$29,762,500	\$29,762,500	\$29,762,500	\$28,651,900
Property Tax	\$41,722,075	\$42,147,127	\$41,681,598	\$40,359,554	\$37,557,148
Tuition & Fees	\$44,867,839	\$49,568,717	\$53,341,935	\$57,446,240	\$61,887,722
Other Revenue	\$3,919,554	\$2,986,480	\$2,952,461	\$3,155,419	\$3,077,000
Total Revenues	\$122,319,671	\$124,464,824	\$127,738,494	\$130,723,713	\$131,173,770



LANSING COMMUNITY COLLEGE
OPERATING AND CAPITAL BUDGETS
Five Year History

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
	Actual	Actual	Actual	Actual	Proposed
<u>Revenues</u>					
State Appropriations	\$31,810,203	\$29,762,500	\$29,762,500	\$29,762,500	\$28,651,900
Property Taxes	\$41,722,075	\$42,147,127	\$41,681,598	\$40,359,554	\$37,557,148
Tuition & Fees	\$44,867,839	\$49,568,717	\$53,341,935	\$57,446,240	\$61,887,722
Other Revenues	\$3,919,554	\$2,986,480	\$2,952,461	\$3,155,419	\$3,077,000
Use of Fund Balance	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$122,319,671	\$124,464,824	\$127,738,494	\$130,723,713	\$131,173,770
<u>Operating Budgets</u>					
Salaries & Wages	\$57,047,240	\$61,805,934	\$63,174,473	\$62,318,528	\$61,875,760
Employee Benefits	\$19,767,699	\$22,327,950	\$23,292,389	\$23,941,747	\$26,923,260
Total Salaries + Benefits	\$76,814,939	\$84,133,884	\$86,466,862	\$86,260,275	\$88,799,020
Services & Supplies	\$18,130,668	\$20,587,201	\$18,679,619	\$18,097,003	\$20,720,820
General Institutional Scholarships	\$1,076,672	\$1,406,245	\$1,270,719	\$1,287,288	\$1,376,537
Child Care Scholarship	\$150,313	\$246,592	\$259,602	\$251,100	\$254,142
Total Operating Budgets	\$19,357,653	\$22,240,038	\$20,209,940	\$19,635,391	\$22,351,499
Contingency	\$0	\$0	\$0	\$0	\$1,311,738
Negotiations Contingency	\$0	\$0	\$0	\$0	\$437,500
Promise Scholarship Replacement	\$0	\$0	\$952,233	\$0	\$0
Severance - VRSIP	\$0	\$2,119,440	\$734,523	\$0	\$0
Capital Projects					
Banner backfill	\$248,458	\$280,763	\$0	\$0	\$0
Banner Phase II	\$0	\$296,803	\$0	\$0	\$0
Capitalized internal costs	(\$915,088)	\$0	\$0	\$0	\$0
Total	(\$666,630)	\$2,697,006	\$1,686,756	\$0	\$1,749,238
<u>Capital Budgets</u>					
Grant Match	\$1,048,312	\$1,045,620	\$1,058,578	\$1,080,620	\$1,350,440
Major Equipment	\$1,380,000	\$1,614,500	\$1,414,500	\$1,414,500	\$1,134,500
Debt Service, all Issues	\$7,509,902	\$7,602,455	\$7,609,684	\$7,637,958	\$7,642,446
Plant Improvement	\$3,000,000	\$3,075,000	\$3,075,000	\$3,075,000	\$3,075,000
Technology Infrastructure	\$2,220,000	\$3,320,000	\$3,000,000	\$2,500,000	\$3,250,000
Division Renovations	\$85,000	\$87,125	\$87,125	\$87,125	\$87,125
Facilities-Auxiliary Fund	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Facilities - Auxiliary 2007	\$400,000	\$0	\$0	\$0	\$0
Capital Projects	\$0	\$1,950,000	\$950,996	\$1,733,087	\$1,334,502
Plant fund - Banner Capitalized Internal	\$915,088	\$0	\$0	\$0	\$0
Total Capital Budgets	\$16,958,302	\$19,094,700	\$17,595,883	\$17,928,290	\$18,274,013
Total Revenues	\$122,319,671	\$124,464,824	\$127,738,494	\$130,723,713	\$131,173,770
Total Allocation/Expenditures	\$112,464,264	\$128,165,628	\$125,959,441	\$123,823,956	\$131,173,770
Change in Net Assets	\$9,855,407	(\$3,700,804)	\$1,779,053	\$6,899,757	\$0
Use of Desig Funds - Univ. Center	\$0	(\$190,553)	\$0	\$0	\$0
Use of Desig Funds - Contract implem.	\$0	\$0	\$0	\$0	\$0
Use of Desig Funds - change in encumb	(\$534,197)	\$0	(\$103,023)	\$593,754	\$0
Designated Funds for Tuition Stabilization	(\$3,154,654)	\$0	\$0	\$0	\$0
Use of Desig Funds - Tuition Stabilization	\$0	\$3,154,654	\$0	\$0	\$0
Use of Desig Funds - Legal and/or Plant	\$0	\$0	(\$1,676,030)	(\$7,493,511)	\$0
Total change in unrestricted net assets	\$6,166,556	(\$736,703)	\$0	\$0	\$0
Unrestricted General Fund Beg of Year	\$12,569,458	\$18,736,014	\$17,999,311	\$17,999,311	\$17,999,311
Unrestricted General Fund End of Year	\$18,736,014	\$17,999,311	\$17,999,311	\$17,999,311	\$17,999,311
Unrestricted Gen. Fund Target (10% Exp)	\$11,246,426	\$12,816,563	\$12,595,944	\$12,382,396	\$13,117,377

**LANSING COMMUNITY COLLEGE
OPERATING DETAIL BUDGETS
Five Year History**

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
	Actual	Actual	Actual	Actual	Proposed
<i>Operating Budgets - Divisions</i>					
Academic Affairs	\$1,852,163	\$1,705,494	\$1,308,385	\$2,133,084	\$2,578,382
Administrative Services	\$11,093,233	\$12,543,166	\$10,301,594	\$10,465,638	\$10,902,686
Advancement & External Affairs	\$242,043	\$3,502,114	\$3,460,476	\$2,935,142	\$3,011,684
BCI	\$1,617,104	\$1,600,553	\$1,926,730	\$0	\$0
Board of Trustees	\$819,449	\$465,965	\$329,980	\$266,893	\$224,028
Business Media and Info Technologies	\$8,753,669	\$8,913,222	\$9,196,200	\$0	\$0
Extended Learning & Professional Studies	\$0	\$0	\$0	\$4,492,655	\$4,844,573
Financial Services	\$3,111,257	\$3,642,740	\$3,578,160	\$3,076,243	\$2,611,755
Human Resources	\$1,912,011	\$1,966,953	\$1,845,572	\$1,409,036	\$1,716,802
Human, Health Services	\$9,184,211	\$9,939,187	\$8,913,934	\$11,241,425	\$11,281,501
Information Technology Services	\$5,728,338	\$8,358,572	\$8,716,077	\$8,779,736	\$10,467,686
Liberal Studies/Arts & Science	\$18,589,406	\$26,169,337	\$27,697,867	\$32,085,786	\$33,444,596
President's Office	\$1,904,650	\$2,239,040	\$2,252,626	\$3,382,032	\$4,028,324
Quality, Planning & Economic Development	\$826,478	\$0	\$0	\$0	\$0
Strategic Planning & Partnerships	\$2,760,143	\$3,588,738	\$4,124,324	\$0	\$0
Student Services & SEM	\$18,541,807	\$11,565,831	\$11,478,861	\$11,848,832	\$12,434,934
Technical Careers	\$8,009,645	\$8,520,174	\$10,015,696	\$12,240,776	\$11,972,889
Total all Divisions	\$94,945,607	\$104,721,086	\$105,146,482	\$104,357,278	\$109,519,840
<i>Operating Budgets - Account</i>					
Administrator Full Time	\$10,345,233	\$11,997,367	\$11,277,763	\$11,224,810	\$11,728,020
Administrator Part Time	\$1,206,378	\$1,490,835	\$1,515,012	\$1,359,368	\$1,515,530
Faculty Full Time	\$16,505,924	\$18,202,984	\$15,992,651	\$15,829,364	\$16,100,680
Faculty Part Time	\$15,825,070	\$15,886,918	\$20,136,038	\$20,254,095	\$18,850,610
Support Full Time	\$8,562,234	\$9,449,515	\$9,327,570	\$8,930,684	\$8,723,680
Support Part Time	\$3,087,281	\$3,205,106	\$3,199,566	\$3,208,819	\$3,259,260
Student	\$1,515,120	\$1,573,209	\$1,725,873	\$1,511,388	\$1,697,980
Total Salaries and Wages	\$57,047,240	\$61,805,934	\$63,174,473	\$62,318,528	\$61,875,760
Employee Benefits	\$19,767,699	\$22,327,950	\$23,292,389	\$23,941,747	\$26,923,260
Non Capital Equipment	\$401,810	\$331,970	\$191,472	\$202,810	\$233,073
Institutional Expenses	\$1,638,548	\$2,653,351	\$2,472,512	\$2,085,771	\$1,927,961
Utilities	\$2,006,760	\$2,708,906	\$2,442,929	\$2,783,700	\$2,787,637
Liability Insurance	\$378,793	\$417,420	\$425,940	\$479,076	\$413,040
Professional Services	\$1,401,250	\$1,667,865	\$1,902,498	\$1,685,722	\$1,858,627
Purchased Services	\$4,408,316	\$4,512,765	\$4,010,178	\$3,585,753	\$4,267,034
Rental Expense	\$608,599	\$634,667	\$663,785	\$630,473	\$666,910
Repair and Maintenance	\$1,351,260	\$1,266,303	\$1,155,383	\$1,197,679	\$1,482,165
Supplies	\$4,760,211	\$5,557,150	\$4,747,426	\$4,848,381	\$6,308,523
Travel, Training and Conferences	\$1,175,121	\$836,804	\$667,496	\$597,638	\$775,850
Total Services and Supplies	\$18,130,668	\$20,587,201	\$18,679,619	\$18,097,003	\$20,720,820
Total Division Operating	\$94,945,607	\$104,721,085	\$105,146,481	\$104,357,278	\$109,519,840
General Institutional Scholarships	\$1,076,672	\$1,406,245	\$1,270,719	\$1,287,288	\$1,376,537
Childcare Scholarships	\$150,313	\$246,592	\$259,602	\$251,100	\$254,142
Total College Operating	\$96,172,592	\$106,373,922	\$106,676,802	\$105,895,666	\$111,150,519

LANSING COMMUNITY COLLEGE

REVENUE AND EXPENDITURE BY ACTIVITY – ALL FUNDS

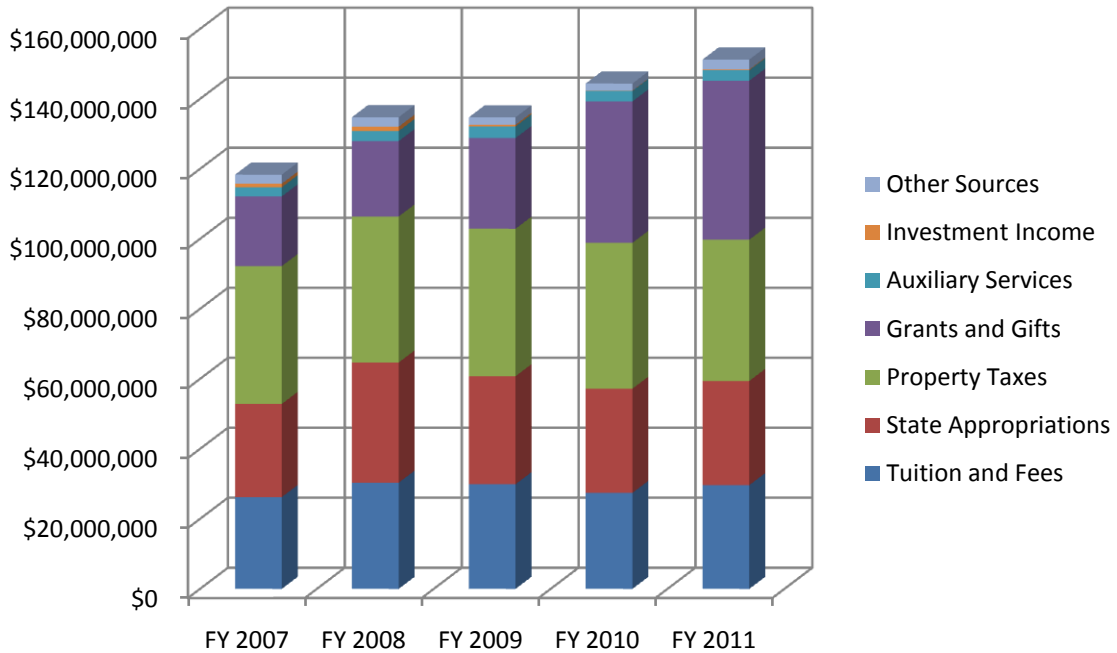
FIVE YEAR HISTORY

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.

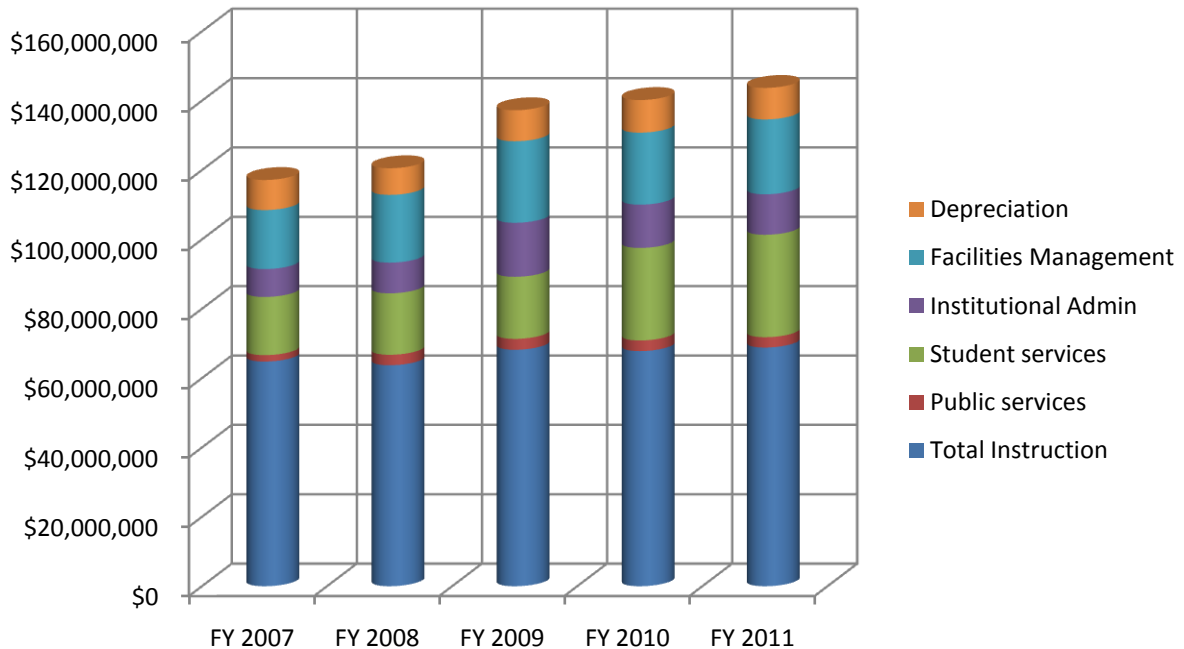
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenue:					
Tuition and Fees*	\$26,232,399	\$30,337,889	\$29,903,915	\$27,435,867	\$29,649,088
State Appropriations	\$26,612,106	\$34,342,343	\$30,855,236	\$29,762,500	\$29,760,498
Property Taxes	\$39,394,072	\$41,722,075	\$42,147,127	\$41,681,996	\$40,359,554
Grants and Gifts	\$19,893,904	\$21,536,341	\$25,907,134	\$40,398,456	\$45,438,061
Auxiliary Services	\$2,624,492	\$2,872,679	\$3,338,948	\$2,992,370	\$2,981,292
Investment Income	\$1,018,574	\$1,244,354	\$437,689	\$82,155	\$195,154
Other Sources	\$2,583,102	\$2,717,393	\$2,147,124	\$2,043,469	\$2,868,653
Total Revenue	\$118,358,649	\$134,773,074	\$134,737,173	\$144,396,813	\$151,252,300
Expenditures:					
Instruction	\$45,659,012	\$43,283,246	\$45,855,569	\$45,724,136	\$47,627,872
Instructional Support	\$19,147,107	\$20,447,472	\$22,343,098	\$22,090,733	\$21,211,978
Total Instruction	\$64,806,119	\$63,730,718	\$68,198,667	\$67,814,869	\$68,839,850
Public services	\$1,842,137	\$3,022,360	\$3,134,027	\$3,066,958	\$2,980,455
Student services	\$16,774,351	\$17,729,457	\$17,902,827	\$26,679,616	\$29,539,632
Institutional Admin	\$8,038,973	\$8,841,886	\$15,580,830	\$12,483,400	\$11,679,996
Facilities Management	\$17,021,870	\$19,547,376	\$23,515,345	\$20,764,960	\$21,580,775
Depreciation	\$8,678,276	\$7,680,791	\$8,949,125	\$9,414,522	\$9,091,814
Total Expenditures	\$117,161,726	\$120,552,588	\$137,280,821	\$140,224,325	\$143,712,522
Expenditures and Transfers	\$1,196,923	\$14,220,486	(\$2,543,648)	\$4,172,488	\$7,539,778
Beginning Fund Balance	\$113,402,404	\$114,599,327	\$128,819,813	\$126,276,165	\$130,448,653
Ending Fund Balance	\$114,599,327	\$128,819,813	\$126,276,165	\$130,448,653	\$137,988,431

*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 2007	FY 2008	FY 2009	FY 2010	FY 2011
Revenue:					
Federal Grants/Contracts	\$39,675,395	\$17,590,681	\$22,011,024	\$36,954,676	\$42,134,974
State Grants/Contracts	\$5,400,777	\$1,170,917	\$1,158,988	\$589,955	\$308,623
Local Grants/Contracts	\$534,734	\$329,519	\$608,205	\$835,946	\$1,483,210
Private Gifts/Grants	\$0	\$0	\$0	\$0	\$0
Other Sources	\$131,003	\$43,858	\$6,835	\$152,073	\$125,301
Total Revenue	\$45,741,909	\$19,134,975	\$23,785,052	\$38,532,650	\$44,052,108
Expenditures:					
Instruction	\$730,705	\$0	\$625,133	\$779,475	\$950,440
Instructional support	\$3,897,161	\$4,293,180	\$2,864,864	\$3,127,675	\$2,445,646
Total Instruction	\$4,627,866	\$4,293,180	\$3,489,997	\$3,907,150	\$3,396,086
Public services	\$523,724	\$487,793	\$830,225	\$778,984	\$765,243
Student services	\$41,514,979	\$15,300,720	\$21,091,732	\$34,453,125	\$40,475,116
Information Technology	\$0	\$20,568	\$12,122	\$0	\$0
Institutional Administration	\$0	\$0	(\$924,707)	\$231,430	\$292,012
Facilities Management	\$252	\$0	\$331,303	\$218,367	\$203,671
	\$46,666,821	\$20,102,261	\$24,830,672	\$39,589,056	\$45,132,128
Transfers In (Out):					
Student Services-Match	\$0	\$0	\$0	\$0	\$0
Other	\$924,912	\$954,161	\$1,045,620	\$1,056,406	\$1,080,020
Total Transfers	\$924,912	\$954,161	\$1,045,620	\$1,056,406	\$1,080,020
Total Expenditures and Transfers	\$45,741,909	\$19,148,100	\$23,785,052	\$38,532,650	\$44,052,108
Expenditures and Transfers	\$0	(\$13,125)	\$0	\$0	\$0
Beginning Fund Balance	\$184,743	\$184,743	\$171,618	\$171,618	\$171,618
Ending Fund Balance	\$184,743	\$171,618	\$171,618	\$171,618	\$171,618

DESIGNATED FUND

REVENUE AND EXPENDITURE BY ACTIVITY

FIVE YEAR HISTORY

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
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	\$1,346,914	\$1,077,138	\$1,514,476	\$1,573,260	\$1,180,619
Transfers In	\$0	\$0	\$0	\$0	\$0
Total Revenue	\$1,346,914	\$1,077,138	\$1,514,476	\$1,573,260	\$1,180,619
Expenditures:					
Instruction	\$0	\$0	\$28,195	\$3,245	\$40
Instructional Support	\$15,190	\$18,514	\$85,213	\$51,325	\$96,714
Total Instruction	\$15,190	\$18,514	\$113,408	\$54,570	\$96,754
Public services	\$150,140	\$58,497	\$143,634	\$198,676	\$121,531
Student services	\$822,578	\$777,439	\$812,505	\$670,942	\$766,501
Information Technology	\$0	\$3,113	\$6,533	\$0	\$0
Institutional Administration	\$573,265	\$361,531	\$61,971	\$291,659	\$230,122
Facilities Management	\$1,616	\$6,091	\$383,306	\$282,569	\$243,018
Transfers Out	\$660	\$0	\$0	\$0	\$0
Total Expenditures	\$1,563,449	\$1,225,185	\$1,521,357	\$1,498,416	\$1,457,926
Expenditures and Transfers	(\$216,535)	(\$148,047)	(\$6,881)	\$74,844	(\$277,307)
Beginning Fund Balance	\$353,852	\$137,317	(\$10,730)	(\$17,611)	\$57,233
Ending Fund Balance	\$137,317	(\$10,730)	(\$17,611)	\$57,233	(\$220,074)

LANSING COMMUNITY COLLEGE

FY2012 ACTIVE GRANT FUNDS DETAIL

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
06-11 TRIO 2006-2011	The Federal TRIO Programs are educational opportunity outreach programs designed to motivate and support students from disadvantaged backgrounds.	US Dept of Education	09/01/2006	08/31/2011	\$1,411,247
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	09/01/2008	08/31/2012	\$194,533
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	09/01/2008	08/31/2012	\$147,000
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	07/01/2008	06/30/2013	\$498,492
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	02/01/2009	09/30/2011	\$66,698
09-12 CPACE II: Implementation of a Reformed Curriculum	This CPACE II grant proposal involves implementing the findings of the planning grant into our curriculum. Workforce computational skills have been identified. At LCC we plan to integrate more computational problem-solving problems based on industry needs by using technology (Maple and MATLAB) in our calculus sequence and CPSC131 course. We will work with MSU engineering faculty to develop problem sets.	MSU	09/15/2009	08/31/2012	\$91,199
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 Sear/Job Readiness activities to increase the participants' income, therefore, reducing or eliminating a family's need for public assistance.	Capital Area MI Works!	10/01/2009	09/30/2012	\$1,036,684

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	09/15/2009	08/31/2012	\$228,493
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	10/01/2009	09/30/2013	\$529,152
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	10/01/2011	09/30/2012	\$147,800
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	07/02/2010	07/02/2011	\$14,007
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	10/01/2010	09/30/2011	\$105,400
10-11 HSDCI State Foundation	State funding to support high school recapture program.	Ingham Intermediate School District	09/01/2010	08/31/2011	\$417,217
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	10/01/2010	09/30/2011	\$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	10/01/2010	09/30/2011	\$50,528
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.		07/01/2010	09/30/2011	\$7,500

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.		07/01/2010	09/30/2011	\$7,500
10-12 Burcham Hills Alzheimer's and Dementia Training Program	This grant covers the delivery of training and consulting services to Burcham Hills Retirement Community.	Dept of Education/ Burcham Hills Retirement Community	09/01/2010	08/31/2012	\$77,140
10-12 ARRA Midwest Community College HIT Consortium	The Consortium 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	04/02/2010	04/01/2012	\$618,728
10-12 Carnegie Foundation: American Mathematical Association	The Carnegie Foundation for the Advancement of Teaching has collaborated with the American Mathematical Association of Two-Year Colleges. Carnegie submitted is providing funds that AMTYC will use to reimburse two colleges for involvement by faculty (Jack Rotman) (LCC and one unknown).	Tennessee Community College/Carnegie Foundation	09/01/2010	08/31/2012	\$13,024
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	08/01/2010	01/31/2012	\$150,000
10-12 Military Medic to Paramedic Curriculum Development	Through Gap Analysis, LCC will develop a new educational curriculum -- Military Medic to Paramedic - 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	06/01/2010	06/30/2012	\$190,000

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
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	07/01/2010	06/30/2013	\$218,294
10-14 The Middle College at Lansing Community College	Lansing Community College and Ingham Intermediate School District are partnering in an educational venture for secondary students, extending the continuum of options presently available in mid-Michigan. Students will gain college experience and success by earning up to an associate's degree in a Science, Technology, Engineering and Mathematics (STEM) related field prior to high school graduation.	MI Dept of Education/Ingham Intermediate School District	11/01/2011	06/30/2012	\$233,660
10-11 The Middle College (TEC) State Foundation	State funding to support the LCC/IISD Middle (Early) College initiative.	Ingham Intermediate School District	09/01/2010	08/31/2011	\$523,924
11-11 Motorcycle Purchase Grant	Money provided by the State of MI to purchase a motorcycle for the Motorcycle Safety Training grant project.	MI Dept of State	04/14/2011	09/30/2011	\$3,436
11-11 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	01/01/2011	12/31/2011	\$205,000
11-12 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).	Dept of Energy, Labor, and Economic Growth	10/01/2011	09/30/2012	\$141,900
11-12 National Wildlife Foundation Mini Grant	The outcomes of the grant are centered around offering meaningful educational opportunities for students in AEET, ARCH, BLDT, HVAC, ELTE and others who are involved in the Restoration Works project on the East Side of Lansing. The money will be spent on energy efficient, eco-friendly materials for the students to use on the homes.	Bank of America/Charles Stewart Mott Foundations/National Wildlife Federation	05/01/2011	12/31/2011	\$3,000
11-12 PERKINS Local Leadership	Salary support for Director of Academic Affairs.	MI Dept of Energy, Labor & Economic Growth	07/01/2010	06/30/2011	\$18,400

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
11-12 PERKINS Regional Allocation	Funds to help provide vocational-technical education programs and services to youth and adults.	MI Dept of Energy, Labor & Economic Growth	07/01/2011	06/30/2012	\$1,082,152
11-13 CAMW! Utility Industry Training Services	A project which proposes to deliver utility training to 164 participants in the following areas: Pre-Apprenticeship Lineworker Training, Underground Lineworker Training, Substation/Engineering Technician Training, Substation Operations Technician Training and Advanced Metering Infrastructure Technician Training.	US Dept of Energy/CAMW!	07/18/2011	06/30/2013	\$967,789
11-14 ATE Integrated Career & Educational Pathways in Building Science	LCC and its academic and industry partners will create an integrated grades 9-16 academic-career pathways model to give students the technical and workforce skills needed to become leaders in Michigan's growing green building industry.	National Science Foundation	07/01/2011	06/30/2014	\$727,348
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	09/01/2011	08/31/2016	\$1,452,575
11-13 Advanced Technology Vehicle Curriculum Initiative	Curriculum development/job training initiative focused on alternative automotive technologies. Appropriation through US Congressman Mark Schauer's Office in 2010 FY.	US Dept of Labor	04/01/2011	03/31/2013	\$420,000
Post 9/11 Veterans Educational Assistance Act 2010	Money provided yearly to be used for professional development and training in support of our staff working with veterans.	US Veterans Administration	10/01/10	09/30/11	\$4,447

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	
11	4,650,000	2,686,128	262,092	39,738	7,637,958
12	4,840,000	2,500,616	271,820	30,010	7,642,446
13	5,055,000	2,277,324	281,909	19,921	7,634,154
14	5,285,000	2,040,528	292,373	9,457	7,627,358
15	5,520,000	1,793,424	99,849	761	7,414,034
16	5,800,000	1,525,808	0	0	7,325,808
17	6,065,000	1,244,808	0	0	7,309,808
18	2,830,000	952,534	0	0	3,782,534
19	2,955,000	828,722	0	0	3,783,722
20	3,080,000	698,696	0	0	3,778,696
21	3,205,000	562,230	0	0	3,767,230
22	3,320,000	419,498	0	0	3,739,498
23	1,600,000	276,018	0	0	1,876,018
24	1,650,000	210,926	0	0	1,860,926
25	1,725,000	143,602	0	0	1,868,602
26	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

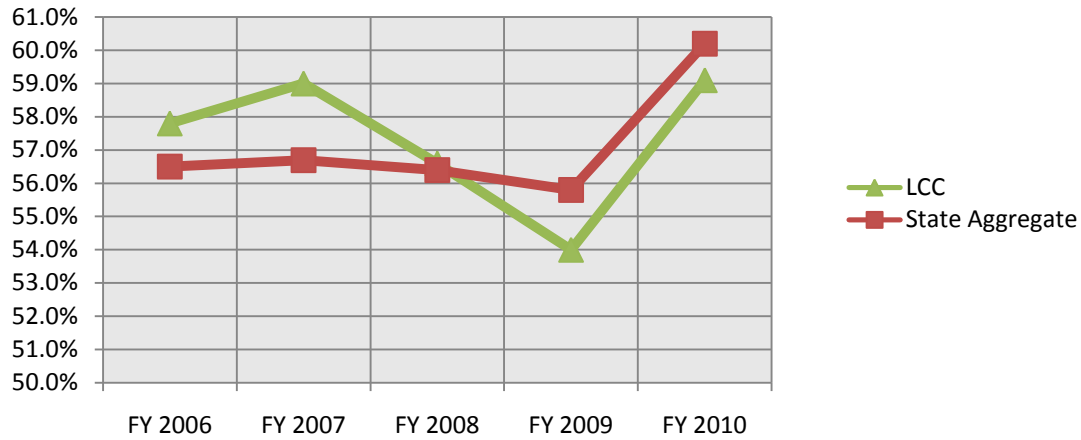
400 international students from 65 different countries

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

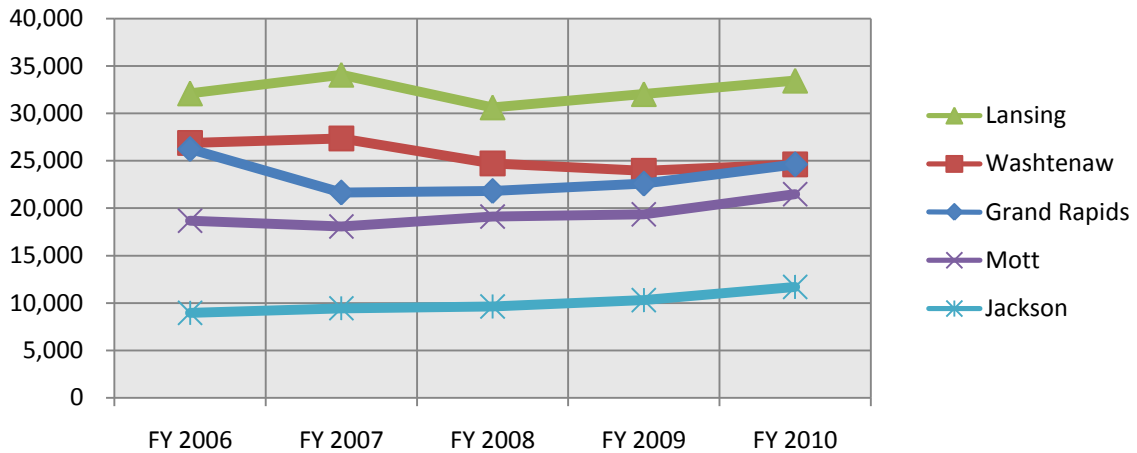
Ethnicity: White 65%, Black 8%, Hispanic 4%, Asian 2%, American Indian 1%, other/unknown 20%

LANSING COMMUNITY COLLEGE

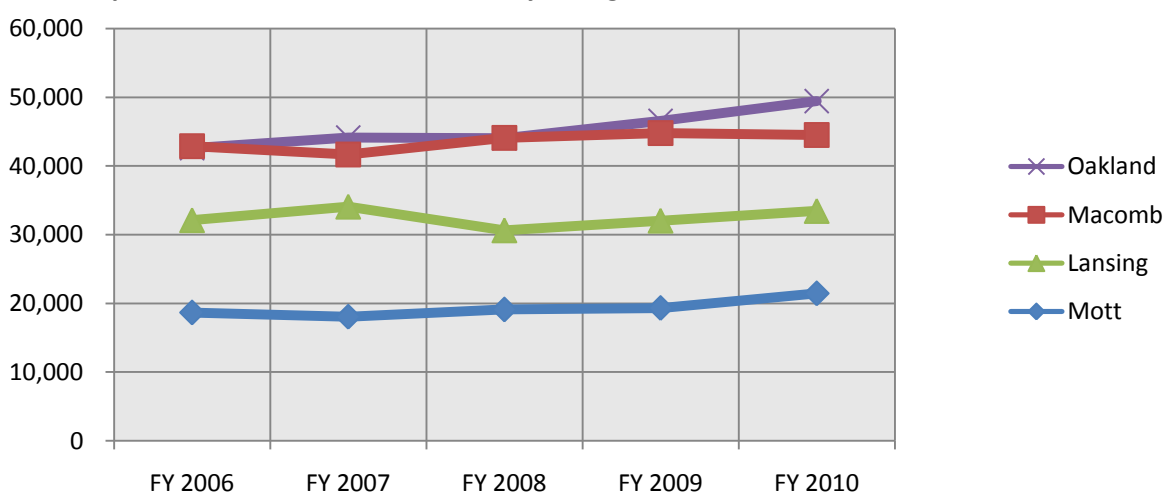
Instruction & Instructional Support as an % of Total Expenses



Unduplicated Head Count of Community Colleges within 75 miles of Lansing



Unduplicated Head Count of Community Colleges Similar to LCC in Enrollment



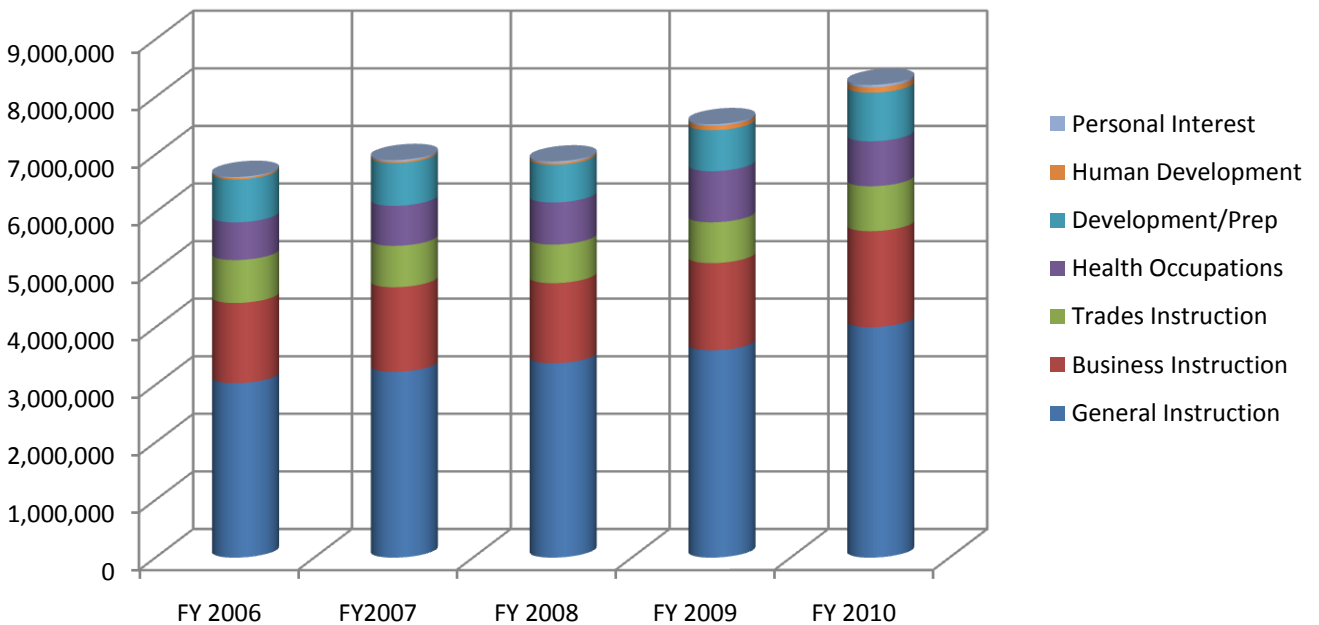
LANSING COMMUNITY COLLEGE

Student Contact Hours by ACS Category

2006 – 2010

ACS	FY 2006	FY2007	FY 2008	FY 2009	FY 2010
General Instruction	3,029,146	3,227,034	3,376,512	3,599,805	4,003,153
Business Instruction	1,394,038	1,470,207	1,390,834	1,516,226	1,667,283
Trades Instruction	745,739	718,416	670,560	708,655	779,839
Health Occupations	654,911	695,189	731,241	887,713	781,041
Development/Prep	744,232	742,760	654,104	711,704	844,408
Human Development	26,080	28,112	32,224	78,928	93,280
Personal Interest	18,551	24,175	25,899	25,694	43,466
TOTAL	6,612,697	6,905,893	6,881,374	7,528,725	8,212,470

Total Student Contact Hours



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

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.

PUBLIC SERVICES

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.

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.

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.

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.

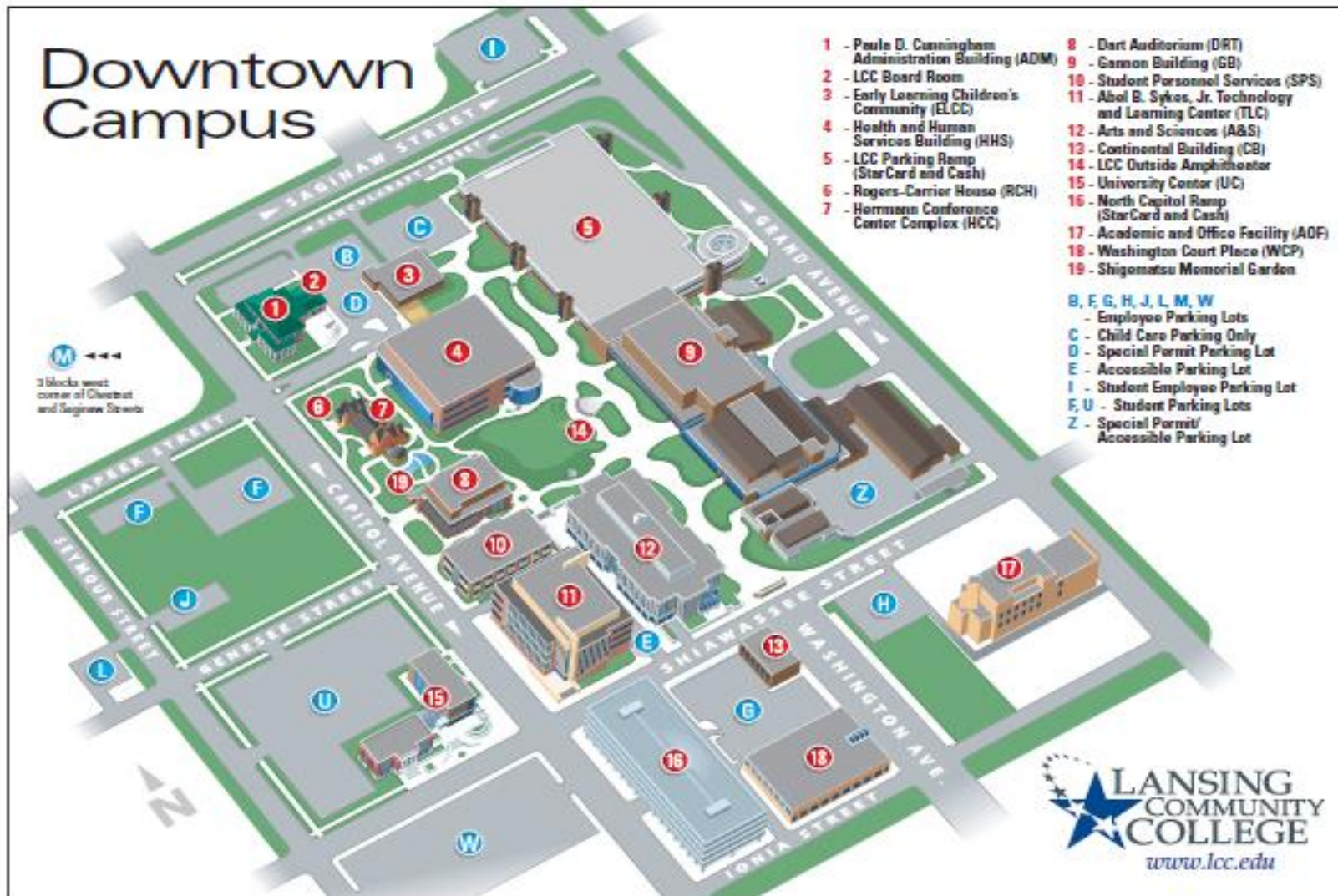
PHYSICAL PLANT OPERATIONS

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 OFFICER'S ASSOCIATION

Tuition and Fees Survey - Spring 2011

		2010-11 Rates			2011-12 Proposed Rates		
	COLLEGE	In-Dist	Out-Dist	Out-State	In-Dist	Out-Dist	Out-State
1	Alpena Community College	\$92	\$138	\$184	92	138	184
2	Bay de Noc Community College	91	154	199	94	159	209
3	Delta College	82	124	180	84	130	190
4	Glen Oaks Community College	80	120	150	83	124	158
5	Gogebic Community College	90	116	144	96	128	158
6	Grand Rapids Comm College	90	196	293	96	202	299
7	Henry Ford Community College	70	130	135	70	130	135
8	Jackson Community College	95	134	191	98	139	201
9	Kalamazoo Valley Comm College	77	126	170	80	131	177
10	Kellogg Community College	84	131	185	88	137	193
11	Kirtland Community College	82	149	184	86	119	198
12	Lake Michigan College	77	114	149	81	122	159
13	Lansing Community College	76	140	210	79	158	237
14	Macomb Community College	80	122	159	84	128	167
15	Mid Michigan Comm College	84	160	283	88	171	313
16	Monroe County Comm College	78	130	144	83	138	153
17	Montcalm Community College	79	146	217	83	153	228
18	Mott Community College	99	148	197	99	148	197
19	Muskegon Community College	77	135	185	82	143	196
20	North Central Michigan College	72	119	153	75	123	159
21	Northwestern Michigan College	80	152	195	84	159	204
22	Oakland Community College	67	113	158	67	113	158
23	Schoolcraft College	80	118	176	84	123	181
24	Southwestern Michigan College	94	121	131	99	128	140
25	St. Clair County Comm College	89	170	240	91	177	258
26	Washtenaw Community College	80	131	174	85	136	179
27	Wayne County Comm College	79	100	130	89	110	140
28	West Shore Community College	76	133	178	79	138	185
	AVERAGE	\$82	\$135	\$182	\$86	\$139	\$191



LCC Resident Districts and Learning Centers

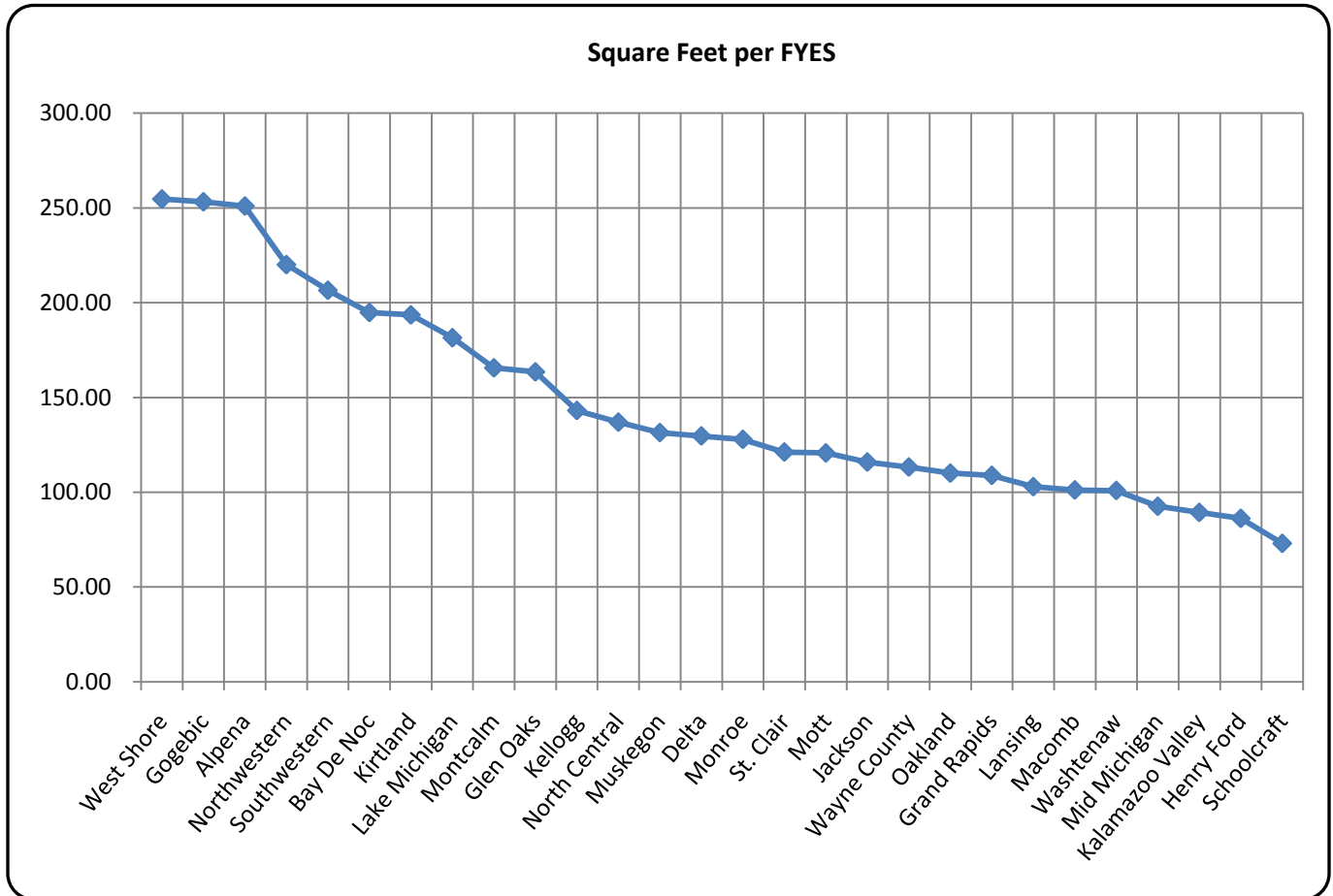


The following school districts constitute the LCC resident district:
 Bath, Dansville, East Lansing, Grand Ledge, Haslett, Holt, Lansing, Leslie, Mason, Okemos,
 Stockbridge, Waverly, Webberville, and Williamston.



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

Square Feet per Fiscal Year Equated Student FY 2010 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.

Educational Development Plant (EDP)

An individualized semester-by-semester class plan for reaching the student's intended educational goal. With this plan, the student can map out a path to a certificate, degree, or career goal and set a timeline for attaining it. Since it is a plan influenced by classes offered each semester and the student's individual circumstances, it should be re-evaluated regularly.

Encumbrance

A claim on an asset that reduces availability due to the obligation, such as a purchase order.

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.

Persistence

A measure of whether students who took a course in the indicated program during Fall of an academic year returned in the following Spring semester. This measure does not indicate whether the student took another course in the same program, only that they returned to the college.

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.

Quartile

A group that represents 25% of the total.

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.

Retention

A measure of whether students who took a course in the indicated program during Fall of an academic year returned to the college for the Fall of the subsequent academic year. This measure does not indicate whether the student took another course in the same program, only that they returned to the college.

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.

Sections

An individual class unit for each term consisting of a student cohort, a teacher and a regular schedule for each .

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.

Vacancy Factor

A line item, set annually as a percentage of overall compensation, reducing the projected expenditure in an estimation of the value of unspent budget due to lag in position incumbency. The vacancy factor will serve to limit over budgeting and help keep tuition and fee costs as low as possible.