



**Fiscal Year 2013-2014**

# Annual Budget





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# **Lansing Community College**

## **FY 2013-2014 Strategic Planning & Budget**

**Lansing, Michigan**

# LANSING COMMUNITY COLLEGE

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## **Letter from President Brent Knight:**

Lansing Community College, like other colleges, has historically adopted change at a measured pace. But as the underlying assumptions of higher education in the United States are challenged by rapid and often unpredictable changes in the economic, regulatory, technological, and social environments, business as usual is no longer possible.

Difficult economic factors continue to impact our budget. Other factors affecting our future include potential changes in the way the State of Michigan handles higher education appropriations (we are likely to see a further shift to performance-based incentives). The good news is that the state appropriation to LCC is expected to increase 1.8% over FY2013 for a total of almost \$30.2 million. "Other miscellaneous revenues" is expected to increase by \$90,000 to \$2.8 million.

On the other hand, the slow rebound of property tax revenue as the region recovers from recession causes LCC to expect those revenues to decline by nearly three-quarters of a million dollars.

LCC is also facing significant demographic challenges. A modest decline is expected in the number of traditional-age college students in our service district over the next decade. Future growth requires the College to expand to new markets for its programs and services while continually monitoring the relevance of its existing programs. The College projects an enrollment decline of 7.5% over the current year, resulting in a reduction in anticipated tuition and course fee revenue of \$53.8 million (2.8%). At \$2 per billable hour (2.2%), LCC's tuition increase for FY14 still keeps us, as the Michigan community college with the third lowest tuition, and keeps it below the state-wide average.

The Strategic Plan (*Learn Forward*) adopted by the Board of Trustees in March, 2013, represents our best thinking on how we can address our challenges and position ourselves for the future. It focuses on the core areas of Competitiveness and Innovation; Learning; Student Success; Community Engagement; Leadership, Culture, and Communication; and Resource Management and Fiscal Responsibility. Our goals are ambitious but achievable, and all of them are focused on helping students reach their educational and career goals.

Through our ***Build Forward*** project, LCC will spend \$67 million over 30 months to transform teaching and learning on campus in ways that will benefit students for

decades to come. The project involves significant renovation of key campus buildings and the expansion of critical learning spaces to help meet demand for training. Using research-based design principles that prioritize student engagement, achievement and well-being, the renovations provide comfortable and inviting spaces designed to encourage social interaction that integrates students into the campus community. The projects also benefit the community by creating nearly 900 construction jobs with an economic impact between \$350 and \$490 million.

Funding for the project was secured from the following sources: State of Michigan Capital Outlay appropriation of \$9.975 million; LCC designated \$11.4 million, LCC Foundation capital funds of \$1.3 million, a bond issuance of approximately \$44.3 million. The investment in transformative renovations and improvements are at no additional cost to the operational budget. The annual capital and debt service commitment does not exceed the amount it has spent annually over the last three years.

I invite you to follow our progress at [lcc.edu/learnforward](http://lcc.edu/learnforward) as we work together to strengthen the College.

As recommended and adopted, the budget reflects the priorities set by the Board and follows the principles of AQIP, the Higher Learning Commission's Academic Quality Improvement Program. It continues to focus our efforts on helping students achieve their academic goals. Over the next few years we will work hard to implement the plan.

Brent Knight  
President



## **Letter from the Interim Chief Financial Officer**

To: Stakeholders of Lansing Community College  
Citizens of the Lansing Community College Resident Districts and the State of Michigan

Lansing Community College has acted decisively, carefully managing its financial, human and physical resources to mitigate the impact of significant fiscal challenges over the last several years. The College has seen decreases in State funding and property tax revenue, while at the same time, experiencing significant increases in pension and health care costs. Workforce reductions, capped health care expenses, elimination of certain high cost academic programs, identification and implementation of efficiencies, and careful tuition pricing were measures used to stabilize operations and ensure fiscal responsibility. LCC remains the third largest community college in the state, has the third lowest in-district tuition rate and maintains one of the highest per capita enrollment levels among the 28 community colleges in Michigan.

A look forward to FY2014 anticipates ongoing financial challenges and requires continued focus on cost containment and smart investment. The College's budget planning and choices are circumscribed by the Strategic Plan, the Campus Master Plan and the Board of Trustees' Governance Policies (a) Community Impact – Highly Educated Community, (b) Student Success, (c) Marketing and Communication, and (d) Academic and Workforce Development Excellence.

Lansing Community College's fiscal year runs from July 1 of one year to June 30 of the following year, that is for FY2014, July 1, 2013 to June 30, 2014. Early on, there were indications of a significant budget gap on the horizon for FY2014. The main factors underlying this significant budget gap include: rising labor costs, uncertain state appropriations; declining property tax revenue and declining enrollment. Federal regulatory changes, economic conditions, demographic adjustments and the elimination of late registration to enhance student success are causing downward pressure on enrollment and credit hours taken per student. Enrollment began to decline in FY2012, continued in FY2013 and a 7.5% decline in enrollment is projected for FY2014.

Had many of the measures mentioned in the opening paragraph not been implemented, LCC would not be able to maintain such a low in-district tuition rate.

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 year ahead with the commitment to continue to provide affordable, high quality educational programs. Nearly 98% of our operational funding comes from



three sources: state appropriations, property taxes and tuition and fees. While our state funding continues to be at risk and property taxes remain unstable, tuition has increased to fill the gap. We have developed a budget that keeps the needs of 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.

Considering the factors above, the projected budget gap was just over \$3.1 million for FY2014. The College engaged in a rigorous review of all programs and services and closed the gap using criteria that prioritized funding for activities that align with the Strategic Plan and Goals. Finally, the remaining gap was closed with a conservative tuition rate increase of 2.5% for students.

In presenting this FY14 budget, I would like to recognize the hard work and dedication of all those who contributed to the achievement of this balanced budget for FY14, especially the Executive Leadership Team and the staff of the Financial Planning, Analysis and Review Department.

Respectfully submitted,

Donald L. Wilske  
Interim Chief Financial Officer  
Lansing Community College

## **LANSING COMMUNITY COLLEGE DISTINGUISHED BUDGET PRESENTATION 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, 2012. The College has received this award for budget presentation since FY2009. In order to receive the 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.

The 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 suitability for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Lansing Community College  
Michigan**

For the Fiscal Year Beginning

**July 1, 2012**

*Christopher P. Monell*

President

*Jeffrey R. Egan*

Executive Director

# **ORGANIZATION**



## **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 industrial workforce. The first President, Dr. Philip Gannon opened the doors to 425 students in the Fall Term in 1957. The most recent data available counts a little over 31,000 unduplicated students for academic year, 2011-2012.

LCC is accredited by the Higher Learning Commission of 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 non-partisan basis. Elected members retain positions for 6-year terms.

### **Board of Trustees - January 1, 2013**

Larry Meyer, Chairperson  
*December 31, 2016*

Edward Woods III, Vice Chair  
*December 31, 2014*

Robin M. Smith Secretary  
*December 31, 2018*

Jerry Hollister, Treasurer  
*December 31, 2014*

Deborah Canja, Trustee  
*December 31, 2016*

Lawrence Hidalgo, Jr., Trustee  
*December 31, 2018*

Robert E. Proctor, Trustee  
*December 31, 2016*

Dr. Brent Knight, President, Lansing Community College

Based on the Michigan Community Colleges ACS 2011-12 Data Book & Companion, LCC has the third largest enrollment of 28 community colleges in Michigan (in Fiscal Year Equated Students and contact hours). The College enrolls over 31,000 students per semester, representing about 65% in-district and 35% out-of-district students. LCC also employs over 500 full-time employees and almost 2,000 part-time faculty and staff. The College vision, mission, and guiding principles/values reflect the diversity and potential of its stakeholders.

LCC is a one-college, multi-location institution.

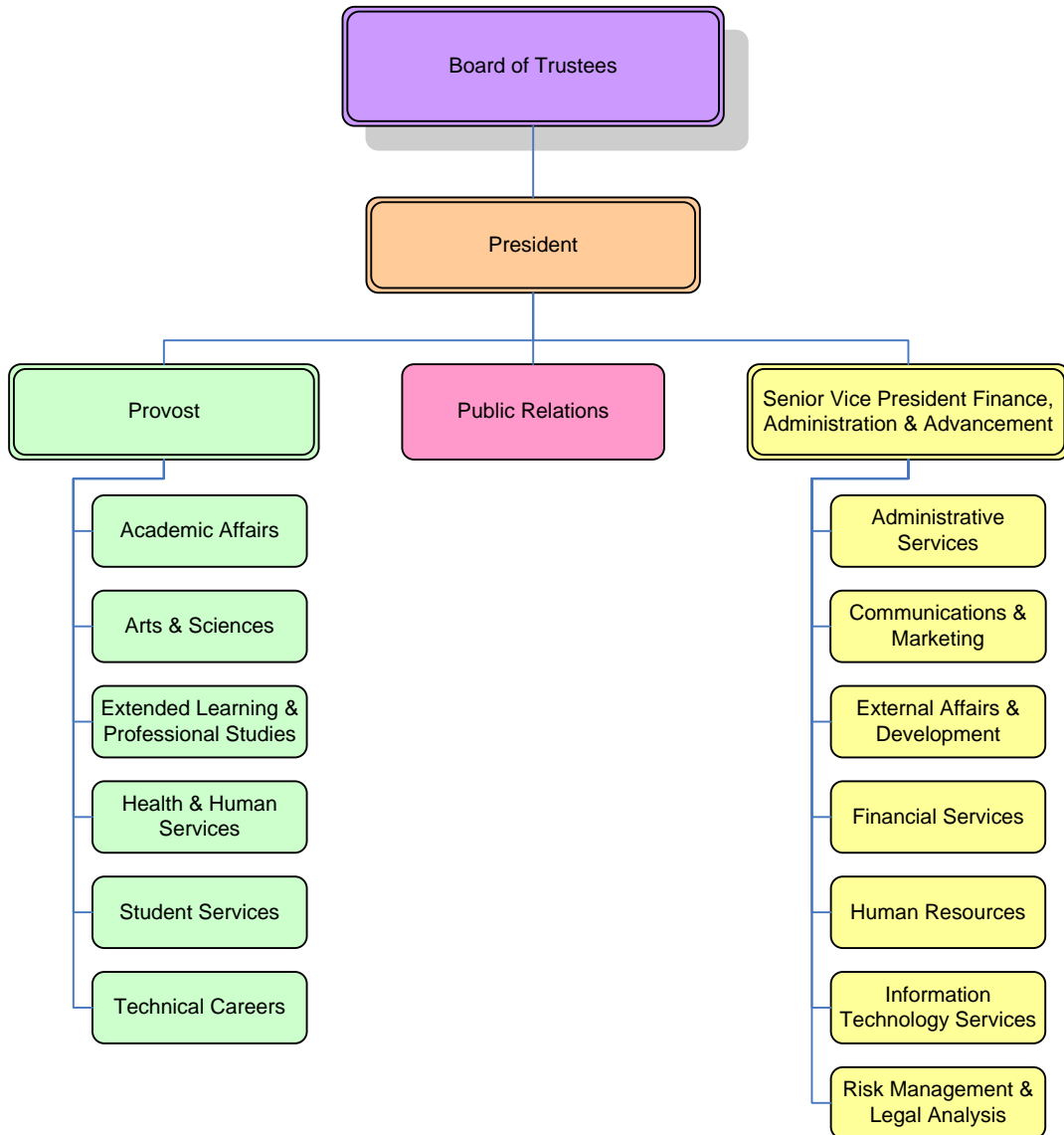
The main locations are:

- LCC Downtown Campus, including a 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®
- LCC East in East Lansing, Michigan
- Aviation Center at the Mason-Jewett Airport in Mason, Michigan
- Livingston Center at Parker Campus in Howell, Michigan
- Clinton County Center in St. Johns, Michigan

The College also offers courses at over 24 learning centers.

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

# LANSING COMMUNITY COLLEGE ORGANIZATION CHART



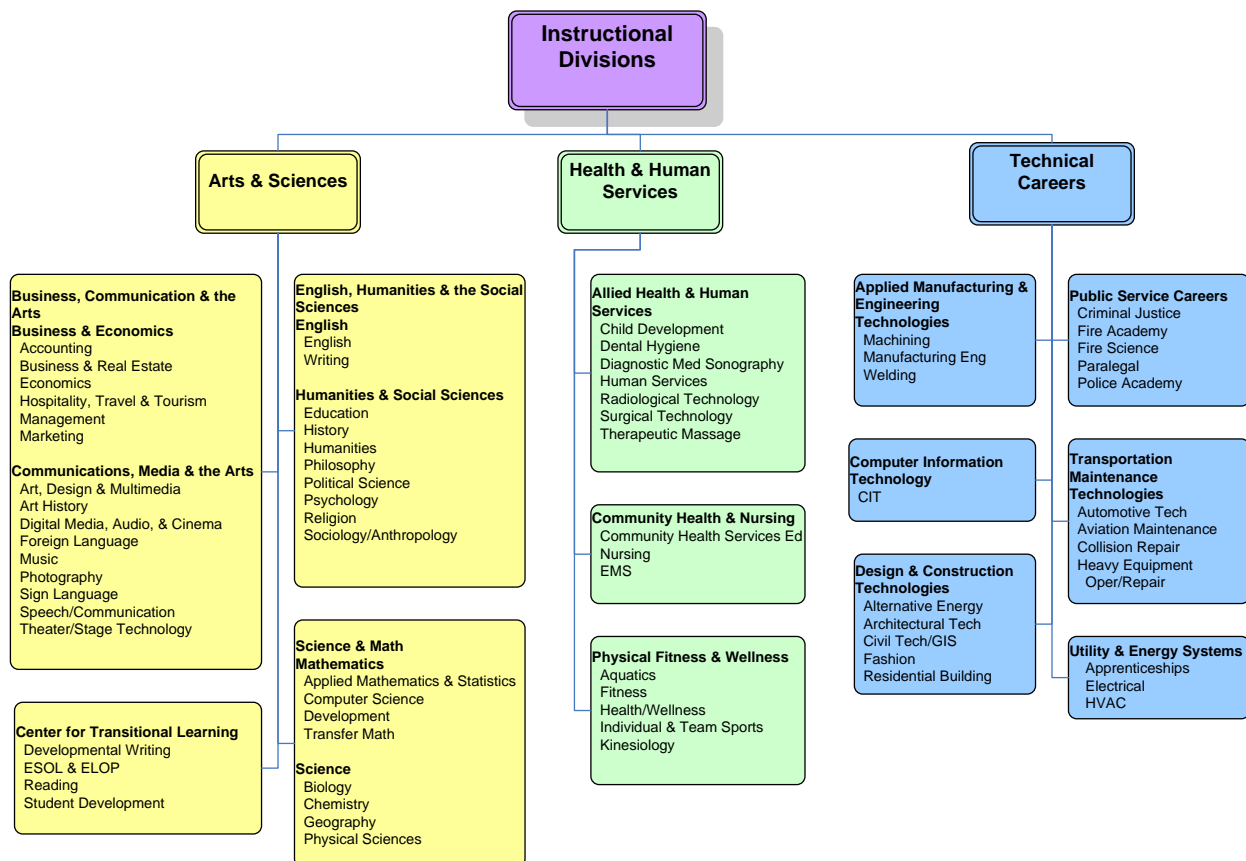
# LANSING COMMUNITY COLLEGE

## 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

## Instructional Divisions



At Lansing Community College, instruction is organized into the three areas displayed in the second level of the chart above: Arts and Sciences (A & S), Health and Human Services (HHS), and Technical Careers (TC).



In FY13, the college adopted a staffing model using Program Directors, rather than Administrative Chairs, in A & S and HHS, consistent with the model adopted in for the Technical Careers Division for the term beginning January, 2011. Arts & Sciences and Health & Human Services Divisions also include Associate Deans in their structure, whose areas of responsibility are shown in third level of the chart above. 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.

### **Arts and Sciences**

The Arts & Sciences Division prepares students for success in the global community through learning experiences that cultivate knowledge, reasoning, inquiry, personal growth, diversity, creativity, excellence, innovation, engaged citizenship and an entrepreneurial spirit. The Arts and Sciences Division at Lansing Community College is the largest of the academic divisions of the institution, and is responsible for delivering slightly more than 80% of the college's total credits taught per academic year.

The Arts & Sciences Division prepares many 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 four units with multiple departments under three Associate Deans and Program Directors for each program within those departments.

- Business, Communication and the Arts
  - Accounting, Economics, Hospitality, Travel and Tourism, Management and Marketing are offered in the Business segment of this area
  - 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 the Communication & Arts segments of this area
- Center for Transitional Learning
  - This department was created in FY2011, 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
- English, Humanities and the Social Sciences
  - The English area offers English and Writing. Through the study of literature, whether written in English or translated into English from another language, the department strives to help students develop an appreciation and understanding of literature's personal, cultural, and

- historical significance and learn how to understand and analyze its meaning
  - History, Humanities, Religion, Philosophy, Political Science, Psychology, Sociology/Anthropology and Education Preparation are the programs offered in the Social Sciences area
- Science and Mathematics
  - The Sciences offer 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 area
  - Mathematics offers a variety of courses in the areas of mathematics, including developmental math, computer science and statistics

In addition to the Dean, Associate Dean and Program Managers, each area has a contingent of Faculty Program Chairs to provide regular input from the faculty perspective in the decision-making processes.

### **Health and Human Services**

This instructional division prepares many health careers workers, childcare workers, and human services workers for higher education or their careers. The programs are aligned with state/national standards and curricula are competency-based, preparing graduates to take external certification/licensure examinations. 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 offers courses in:
  - Child Development and Early Education
  - Dental Hygiene
  - Human Services
  - Radiologic Technology
  - Diagnostic Medical Sonography
  - Surgical Technology
- Community Health and Nursing Careers Department offers courses in:
  - Traditional and Non-traditional Career Ladder Nursing
  - Emergency Medical Services
  - Community Health Service Education
- Physical Fitness and Wellness Department offers courses in:
  - Aquatics
  - Fitness
  - Health and Wellness
  - Individual and Team Sports
  - Kinesiology
  - Therapeutic Massage
  - Weight Training

## **Technical Careers**

Technical Careers Division provides 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.

The Division is divided into six programs areas:

- Applied Manufacturing and Engineering Technologies
  - Provides instruction for skilled trades used in numerous industry sectors with modern equipment. Manufacturing and Engineering (MET) Design, MET Machining and Welding are programs in this department
- Computer Information Technology
  - Provides students with cutting-edge learning opportunities in seven key computer technology areas: applications, databases, foundational software and hardware concepts, networking, programming, support and web
- Design and Construction Technology
  - Integrates alternative energy, architectural technology, building construction, construction management and civil technology/geographic information systems (GIS). Programs reflect evolving design principles
- Public Service Careers
  - Includes training for paralegals, law enforcement, criminal justice workers, and fire fighters
- Transportation Maintenance Technology
  - The department includes automotive technology and collision repair, aviation flight maintenance and heavy equipment maintenance
- Utility and Energy Systems
  - Heating Ventilating and Air Conditioning Technology as well as Electrical Technology are taught in this department

The program offerings provide instruction which gives students the specialized skills to secure employment in highly technical occupations.

## Instructional Support Divisions

### 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.

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

The following departments are included in the Academic Affairs Division:

- Center for Teaching Excellence (CTE)
  - CTE is responsible, though coordination with Human Resources, for providing training opportunities for instructional and student services faculty and staff to help assure that LCC students get the highest quality instruction and support
- eLearning
  - 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
- Institutional Effectiveness, Research, and Planning (IERP)
  - 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

### **Extended Learning and Professional Studies**

The Extended Learning and Professional Studies Division at Lansing Community College helps the College meet its goals to extend learning opportunities in non-traditional ways. The departments included in the Extended Learning and Professional Studies Division are:

- Business & Community Institute (BCI)
  - Offers a broad spectrum of consulting services and learning solutions, all designed around a single goal - improving our customers' organizational performance. Most training programs can be customized to a company's specific requirements and are provided on a credit or non-credit basis with flexible scheduling
- 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 unemployed and underemployed adults. 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 professional certification, meet continuing education contact hour requirements, provide professional development, or gain additional professional certifications. Community Education offers credit and non-credit courses for personal enrichment and professional development programming for students of all ages
- Extension Centers
  - The centers provide convenient learning locations for degree seeking, transfer or personal interest needs in three main locations, LCC East in East Lansing, Livingston County Center in Howell and Clinton County Center in St. Johns
- K-12 Relations
  - Offers programs for dual enrollment/special admissions to over 800 students as a vehicle for preparing high school students for post-secondary education and the workforce. Partnerships with local school districts offer numerous options for advanced placement, high school diploma completion and technical preparation and certification courses or transferable college credits up to an associate's degree
  - High School Diploma Completion Initiative (HSDCI) program targets at-risk students and traditional high school stopouts/dropouts, allowing them

the opportunity to get a high school diploma from their district while simultaneously earning college credits

- In FY2012, The Early College (TEC) began with the help of a planning grant awarded by the Michigan Department of Education. TEC provides students (who have completed their sophomore year of High School) with alternative, dual enrollment opportunities to compress the time it takes to complete a high school diploma and the first two years of college. Once the student is ready, they begin to take college classes with conventional college students. Students also participate in career explorations, four year transition planning and job related activities. Funding from state head count allowances is substantial, but careful enrollment and expense management is required to break even. The first year, enrollment was 90 students; 149 students enrolled in FY2013. 88 of the original 90 returned for the second year. Over the next 3 fiscal years, TEC is expected to generate adequate revenue to sustain the program. For FY2014, a General Fund subsidy of \$66,000 is included.
- 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, 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

## **Student Services**

The Student Services Division employees are committed to goal direction, goal support and goal achievement of LCC's students, assisting them to reach their potential as they progress towards their goals.

The Student Services Division goals guide the Division:

- Student Access, Retention and Success - Develop a comprehensive integrated system that contributes to student retention and success
- Continuous Quality Improvement - Build a high-performing student and academic support division through continuous quality improvement
- Quality Services and Instruction - Develop Convenient, Accessible, Responsive, Effective and Flexible Services and Instruction to students

- Community Impact - Enhance the Quality of Community Life

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.
- Academic Advising
  - Academic advising is the process whereby advisors and students work together to create an educational plan 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.
- Assessment Services
  - Assessment Services testing 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 advisors to guide students through their job search, help identify marketable skills, prepare an eye-catching resume, practice effective interviewing techniques and to provide other information on looking for the right job. A Web-based job posting system is also maintained
- Financial Aid
  - Financial Aid is responsible for processing all scholarships, grants and loans
- Learning Assistance: Library and Tutoring
  - The "Link to Learning" Library mission is to engage students in learning, link people to resources and give exceptional service to all. The library gives students and faculty access to thousands of ebooks, reference sources, government documents and academic full text articles. This is in addition to the resources available in the physical Library located on LCC's main campus with over a quarter of a million visitors per year
  - Tutorial Services assists students in becoming independent learners who can go on to achieve their personal goals through a supportive, interactive learning experience. Through a variety of options, over 7,500 Students per year are offered free tutoring services

- 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, 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
  - Non-Traditional and Special Populations Support Services  
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
  - Veteran's Services Office  
Veteran's Services staff is available to assist with questions about educational benefits, connect Veterans to essential services and certify enrollment to the Department of Veterans Affairs once they have enrolled in courses



## **LANSING COMMUNITY COLLEGE**

### **Non-Academic Divisions**

#### **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

#### **Communications and Marketing**

The Communications and Marketing Department provides a range of services to support the initiatives of departments and programs across campus. Assistance is provided by:

- Marketing plan development
- Developing various printed collateral materials
- Ad development (print, radio, television)
- Social networking site development
- Promotion via college radio station WLNZ
- Promotion via LCC-TV

#### **Executive Offices**

The Executive Offices include the offices of the President, the Provost, and the Senior Vice President for Finance, Administration and Advancement. The Executive Offices provide leadership, direction, and guidance for the senior administrators; provide administrative focus for the academic programs, student development, community services, and business services of the College; and coordinate strategic planning for the College as a whole. 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.

An Academic Senate was established in late FY2013. FY2014 will be the first full fiscal year for the Academic Senate. While this body is just beginning to define its charter and subcommittees, the intent of this advisory body is to provide faculty input and advice to the administration concerning issues of College-wide educational philosophy, College-wide academic policy, and priorities in the College-wide deployment of capital or financial resources.

#### **External Affairs and Development**

The External Affairs and Development 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:

- School and Community Relations
- 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, Analysis and Review
- Payroll
- Purchasing
- Student Finance

### **Human Resources**

The Human Resources division serves the human resource needs of the more than 3,000 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

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

ITS is a division of five 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
- Media Services
  - Provides audio, video and interactive instructional support such as media content creation, classroom technology, the video distribution network, and the College's radio and cable television stations

### **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, reviewing 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**

#### **Background**

The mission of LCC is captured in the LCC Strategic Plan in Statements of Purpose: Mission, Vision, Motto, Board of Trustees' Governance Policies (a) Community Impact – Highly Educated Community, (b) Student Success, (c) Marketing and Communication, and (d) Academic and Workforce Development Excellence, and Guiding Principles, supported by the Values Compact. In summary, LCC is to be a learning-driven, comprehensive community college with a "Careers/Information Technology (IT) focus."

Mission: **LCC exists so that the people it serves have learning and enrichment opportunities to improve their quality of life and standard of living.**

Vision: **Serving the learning needs of a changing community**

Motto: **Where success begins**

#### **Guiding Principles:**

- LCC will be a "Comprehensive Community College," focused upon offering learning opportunities in four areas: career and workforce development, general education, developmental education, and personal enrichment
- LCC will have a careers emphasis and, in support of this, maintain a technology-rich environment, fostering "user-" vs. classroom-level information technology skills
- LCC will maintain and support a well-qualified, committed, and competitively compensated faculty and staff who use both proven traditional and progressive student-centered learning approaches
- LCC commits to continuous improvement in its programs and services and will maintain high expectations of its students
- LCC will be flexible, affordable, and accountable, continuously improving student learning and support services through the assessment of measurable outcomes
- LCC will strive to be "state of the art" in all that it does, while pursuing a select number of cutting-edge initiatives
- LCC will have a local emphasis in allocating its resources, while maintaining vital connections to the world, culturally and technologically
- LCC, within its broader purpose of serving its entire community in diverse ways, recognizes a special responsibility to young adults, those from lower income brackets, and those requiring developmental academic or entry-level career skills
- LCC seeks cooperative relationships with both private and public organizations, pursuing growth not as an end in itself but only when it best serves student and community needs
- LCC will prepare those it serves to thrive in a diverse world by reflecting that diversity in its student enrollment, staffing, planning, and allocation of resources

- LCC will manage its finances in a responsible manner; allocating resources and achieving efficiencies to best serve the priority needs of its students and the taxpayers who support its operation
- LCC is a dedicated community member working for the betterment of all

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; and
- reviewing the College's quality improvement performance.

In 2011, Lansing Community College began an assessment of its strategic priorities as part of its regular planning process and its commitment to the Academic Quality Improvement Program administered by the College's accrediting body, the Higher Learning Commission.

Since March, 2012, a section of the LCC website has been devoted to strategy. From mid-March to Early April, 2012, a series of 10 public forums were held to create awareness and facilitate conversations on strategic topics, exploring the changing environment and its implications for LCC. The website offers Strategic Challenge Briefings and a mechanism for conversations about key questions:

- What do you need from LCC?
- What kinds of education or training do you think LCC should provide?
- How do you think LCC should serve the community?
- What do you believe to be the challenges facing higher education?

Six critical challenges that demand significant change and/or choice were identified from wide-ranging briefings and conversations with numerous stakeholders. These challenges set the stage and provide the input for creative strategies and integrated planning processes.

### ***Learn Forward*— LCC's Strategic Plan**

The college's three-year Strategic Plan, "*Learn Forward*," was adopted March, 2013 for 2013-2016. The Strategic Plan has six areas of Strategic Focus. Specific initiatives, designed to meet the challenges and move the College forward are articulated in each area.

- **Competitiveness and Innovation**-LCC demonstrates its status as a college of choice challenges by delivering superior value, by continuously improving and

innovating, and by forecasting and responding to growth opportunities and competitive challenges

1. We will have a national reputation as a well-run, innovative organization that achieves outstanding student success
2. We will develop the capacity to identify and respond to institutional opportunities and challenges with confidence and agility
3. We will develop a plan for sustainable growth built on our strengths that prioritizes student success and community connections
4. We will identify our unique advantages and use that knowledge to strengthen our relationships with stakeholders and our position among competitors
5. We will engage in persuasive, data-driven promotion and marketing of our programs and services, especially those related to recruiting and retaining students, student success, alumni and development, and community engagement

- **Learning** - LCC is an exemplary institution where student achievement and success are realized through relevant and rigorous curricula across all areas of teaching and learning

1. We will review and update our Academic Master Plan, focusing on nine priority areas:
  - Improving student success and retention
  - Enhancing student ownership of learning
  - Ensuring the quality and academic integrity of courses and curricula
  - Aligning curricula and courses with external standards and professional practices
  - Meeting the changing needs of students through faculty development
  - Strengthening partnerships between the College, area high schools, and area transfer institutions
  - Fostering the use of data-driven decision making
  - Integrating more fully the concepts of globalization and diversity in instruction and services
  - Increasing entry and exit pathways into programs
2. We will provide students with rigorous, high-quality programs that are aligned with the expectations of transfer institutions and the needs of employers
3. We will expand and enhance the Honors College into a robust center of teaching and learning excellence that will attract and retain academically talented students
4. We will redevelop the general education core curriculum
5. We will implement a system of continuous improvement and assessment at the course, program, and institutional level
6. We will provide personalized learning opportunities across multiple modes of delivery



7. We will develop learning experiences that leverage technology and teach students to think critically and communicate effectively
- **Student Success** - LCC provides excellent student support services that facilitate retention, goal completion, engagement, and success
    1. We will collect and respond to student preferences based on students' individual goals and support needs
    2. We will ensure that students have well-articulated plans that offer clear pathways to help them reach their educational goals
    3. We will offer a guaranteed course schedule so that students can better plan completion of their programs
    4. We will implement waitlisting to respond in a more agile way to student course needs and demands
    5. We will use technology, including Web-based and mobile applications, to respond to and anticipate student needs
    6. We will implement DegreeWorks to provide students with the ability to create their own educational plans
    7. We will as part of our Build Forward initiative, create a one-stop student services center that connects students with the resources they need to achieve their learning goals; we will also create a welcoming and inspiring student commons area in the Gannon Building to encourage learning beyond the classroom
    8. We will promote a culture of caring and connectedness that takes into account the changing nature of students' lives
    9. We will develop early and ongoing alert systems, including text message alerts, to follow up with students who may require additional support as part of our efforts to improve retention
    10. We will offer further education and workforce training through the use of sequential, stackable credentials
    11. We will provide credit for prior learning experiences and address the needs of the labor market by implementing programs administered by the Council for Adult and Experiential Learning
    12. We will innovate new programs in areas of high demand, including the next generation of "Get a Skill, Get a Job," using real-time labor market information
    13. We will create apprenticeships in new career areas
    14. We will work to increase both College and Foundation scholarships so that a lack of financial resources will not be an obstacle to access for students wishing to pursue a college education
  - **Community Engagement** - LCC builds and enhances mutually beneficial relationships with community partners

1. We will work closely with K-12 districts to improve the college readiness of students within our service district and to enable dual enrollment opportunities
  2. We will create opportunities for students to connect with the community through activities such as job shadowing, service learning, volunteer opportunities, and internships
  3. We will align community activities to encourage effective collaborative relationships, establish a process for evaluating successful partnerships, and implement principles of good customer relationship management
  4. We will create and implement a communications plan that raises the visibility of the College's community engagement activities and the wide range of services and opportunities available to the community
  5. We will conduct a baseline survey and regular follow-up surveys to determine LCC's reputation and economic impact within the community and how we can better serve community needs
  6. We will engage our vast community of alumni in a manner that showcases their success, creates networking opportunities for current students, and inspires their investment in the College through partnerships and philanthropy
- **Leadership, Culture and Communication** - LCC is an organization in which personal responsibility, trust, respect for others, openness, and excellent customer service are core values. All employees model the values of integrity, honesty, transparency, accountability, and good stewardship. The College affirms its commitment to participatory governance
    1. We will empower our employees to deliver excellent customer service to all students, to each other, and to the public by providing training opportunities, incorporating customer service expectations into job descriptions and performance reviews, and recognizing individuals and units for exemplary practices
    2. We will develop leaders and encourage exemplary leadership behaviors at all levels of the organization through professional development and growth opportunities consistent with academic excellence
    3. We will improve organizational climate through focused communications that inform and engage all members of the campus community and provide meaningful opportunities for feedback and dialogue
    4. We will create and sustain a positive, engaging, and inclusive environment that includes:
      - Ensuring that all employees feel valued and able to perform at their best every day
      - Implementing the diversity plan so that the values it expresses become central to our culture

- Making our physical plant, including buildings and grounds, accessible above and beyond ADA compliance
- **Resource Management and Fiscal Responsibility** – LCC engages in planning activities that support its ability to make data-informed and transparent decisions within a participatory framework at all levels to ensure the health and sustainability of the institution over the long term
  1. We will coordinate our planning and budgeting processes to ensure that institutional initiatives work together in support of student success
  2. We will evaluate courses and programs on a regular basis to assess student success and enrollment metrics
  3. We will manage our finances in a responsible manner, allocating resources and achieving efficiencies that reflect our goal of providing the highest educational value to students through a combination of high quality and low cost
  4. We will expand and diversify our revenue-generating efforts and strategies
  5. We will maintain excellent financial reporting practices and audit results
  6. We will engage individuals and the community in a manner that will facilitate and encourage their philanthropic support

Lansing Community College realizes that defining the strategic challenges and initiatives are only the first steps in meeting the challenges and moving the College forward. Next steps must be taken to set measurable goals using continuous improvement processes, and to be accountable to our stakeholders. These next steps include:

- Creating a Strategic Plan Implementation Team led by LCC's Senior Vice Presidents
- Establishing the implementation of the plan as a formal AQIP Action Project
- Developing and executing operational plans for each area of strategic focus that will, in turn, become AQIP Action Projects with specific, measurable objectives that include provision for continuous process improvement
- Posting regular updates on the implementation status of all initiatives on the College's *Learn Forward* website.

Our strategies will inform and guide an integrated planning process. Instead of the strategic plan being a separate document and process from operating plans and budgets, our strategies will inform our regular operating, budgetary, and academic planning processes. We will ensure that the initiatives and improvement projects outlined in this plan are reflected in budget priorities recommended to the Board of Trustees.

## **Achieving the Dream**

LCC was chosen in 2010, 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 conduct an annual site visit. For more on AtD performance measures, see pages 38-40.

## **Program Review**

LCC has historically conducted a program review annually. For decades, LCC continued to add new courses and programs while rarely shrinking or eliminating others. Colleges can no longer strive to be all things to all people; rather, they must focus resources on the mission and program excellence in order to assist 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. 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. Involvement in the national Achieving the Dream initiative (see above) assisted in developing a systematic review process supporting evidence-driven institutional improvement whereby all academic programs 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 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. No course and curricula might be a part of the new merged program

Traditional approaches, like across-the-board cuts, tend to promote mediocrity for all programs. While challenging economic times are a concern for everyone, many programs – such as nursing, dental hygiene and fire science academy – are costly programs to offer, but fill a critical public need; additionally, graduates in these fields earn high wages.

### **Academic Quality Improvement Program**

Strategic Planning at Lansing Community College is centered upon continuous quality improvement. The Higher Learning Commission established the Academic Quality Improvement Program (AQIP) as an alternative method to maintain accreditation. AQIP allows an organization to demonstrate that it meets the Higher Learning Commission's criteria for accreditation through processes that align with the ongoing activities that characterize organizations striving continuously to improve their performance. Since 2001, the College has maintained its accreditation through AQIP. 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 accreditation:

1. Helping Students Learn
2. Accomplishing Other Distinct Objectives
3. Understanding Students' and Other Stakeholders' Needs
4. Valuing People
5. Leading and Communicating
6. Supporting Institutional Operations
7. Measuring Effectiveness
8. Planning Continuous Improvement
9. Building Collaborative Relationships

The AQIP process requires that, in addition to submitting a comprehensive Portfolio covering all nine categories every four years, participating organizations have a minimum of three Action Projects underway at all times, to connect them to AQIP categories and to share information about them. LCC's current, active AQIP Action Projects are:

#### **1. Academic Senate / Faculty Governance Leading and Communicating Timeline: April 2013 – December 2013**

This project is designed to facilitate a greater degree of shared governance. It originated as part of the implementation of the College's new faculty labor

agreement, but has become institutionally important as part of the implementation of the College's new Strategic Plan and the development of the new academic master plan, both of which require a more developed and collaborative shared governance model.

The goal is to develop of an Academic Senate comprised of continuing faculty from all departments and ranks, administration, and students to discuss issues of institutional import and recommend collaborative solutions to the College's Executive Leadership and the Board of Trustees. In this way, LCC seeks to improve institutional decision-making and communication. The overall measure of success for the Senate will be its development into a collaborative decision-making body for the College. Its first deliverable will be the new Academic Master Plan and its alignment with the new Strategic Plan.

## **2. Institutional Assessment - Phase 2 Framework**

### **Helping Students Learn**

**Timeline: February 2013 – June 2014**

Creating assessment tools and scoring tools (rubrics) take a great deal of time; putting them to use takes even more time. The decision was made to divide the tasks into three, academic year time periods to keep workloads manageable. Also, because the College is piloting the Program Quality Improvement Program (PQIP) model, consistent time frames were desired.

The goal of this action project is to implement the assessment framework project which is currently being piloted through PQIP, an institutional assessment initiative.

**Phase 1 Academic Year 2012/13 (Ongoing)** – Places emphasis on classroom assessment techniques in addition to creating and/or selecting course-level assessment tool and rubrics. Faculty, through the College-Wide Assessment Committee, and their academic units engage in the assessment process and monitor improvement through an analysis of the results.

**Phase 2 Academic Year 2013/14** – Academic units will analyze course assessment results and write improvement plans which will be implemented and evaluated through the use of course level assessment tools and rubrics.

**Phase 3 Academic Year 2014/15** – Engage in the assessment process as in Phase 1, but at the program level.

Developing an assessment framework has become a priority for LCC at this time because of the College's emphasis on student success and completion. LCC has long had student success as a goal, but the College's affiliation with Achieving the Dream (AtD) has placed even greater emphasis on it. Also, AtD afforded the College the opportunity to improve its data reporting systems and faculty can now

access the student success data they need to improve assessment at all levels of the institution.

### **3. Strategic Plan Development**

#### **All AQIP categories**

**Timeline: April 2013 – December 2013**

The College's Board of Trustees and campus community believe implementation of the Strategic Plan is the optimal way for the institution to move forward. Following the adoption of the Strategic Plan by the Board of Trustees in March 2013, the College began to design a framework for implementation. Every campus department is involved in the implementation of the Strategic Plan through a series of cross functional work teams defined by the six overarching strategic goals:

- Learning
- Student Success
- Leadership, Culture, and Communication
- Community Engagement
- Competitiveness and Innovation
- Resource Management and Fiscal Responsibility

Each of the distinct objectives of these overarching goals will be presented to the campus community and the Higher Learning Commission as an action project.

The length of time was defined by the most immediate needs of the institution. The Academic Senate is currently entering its first stage of development, focusing on the Academic Master Plan. Enrollment management, from the section level up is necessary for the College to manage its budget and planning processes for long-term fiscal sustainability.

#### **Performance Measures**

A key component of strategic planning involves measuring results, evaluating and adjusting strategy. The College focuses on results through performance-based planning; program review; Annual Results Inventories (ARI) on Access, Financial Responsibility, and Student Learning Outcomes and Stakeholder Satisfaction; the AQIP process; and Strategic Management System.

The discussion regarding student success, retention and completion and pertinent 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.



The Michigan Community College Business Officers Association led 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. At the state level, Michigan government's commitment was demonstrated by the inclusion of performance-based metrics in the allocation of appropriations to community colleges in FY13. For FY14, the allocation formula was modified slightly and performance measures were recalculated according to the most recent data. Additionally, the State budget language requires community colleges to participate in reporting specific, state defined, longitudinal data to the state system from preschool to high school, college and the workforce. For more information on the state allocation formula see *State Appropriations* pages 52-53 and *Impact on FY14 Budget* pages 56-57.

Lansing Community College is engaged in ongoing efforts to evaluate our student success data and, through a continuous improvement model grounded in the AQIP/Higher Learning Commission criteria, to implement both process and curricular changes that will improve the student experience. In May of 2012, The Board of Trustees added a monthly agenda item to update them on important student success metrics.

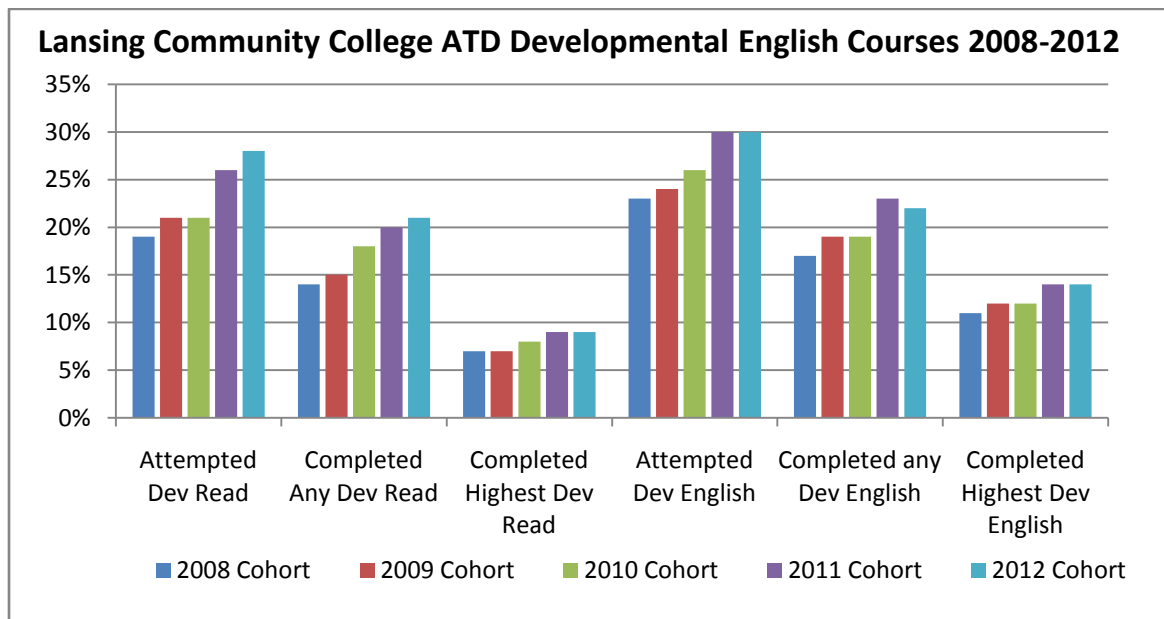
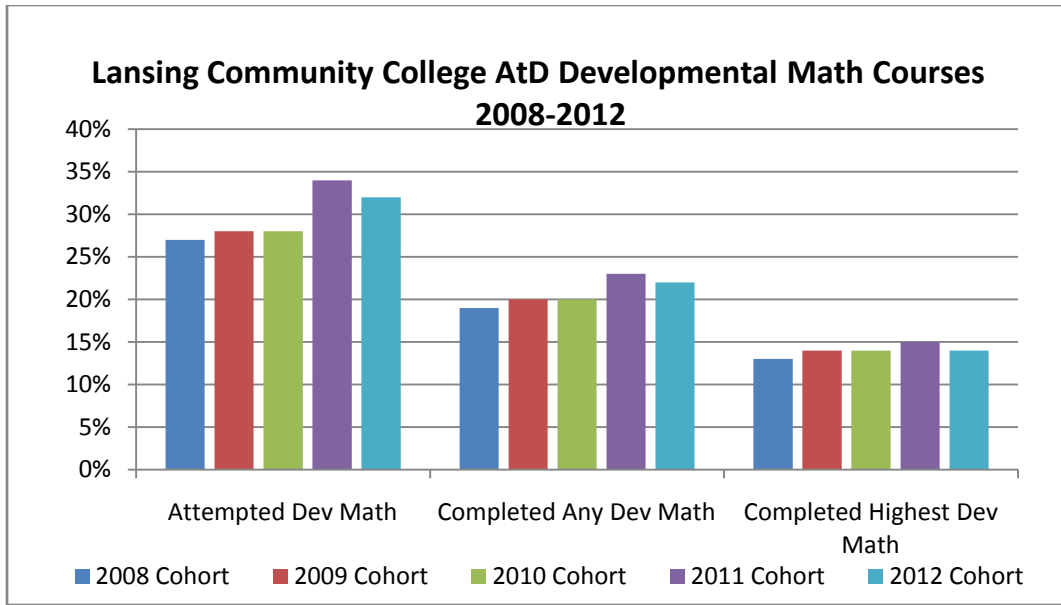
### **Achieving the Dream (AtD) Performance Measures**

AtD colleges use cohort analysis to answer the five key questions related to the initiative's five main student success performance measures for cohorts of entering students - outcomes in developmental courses, outcomes in gatekeeper courses, persistence, and graduation. These data points allow institutions to see the pattern of student progression for particular groups of students. The AtD cohort is limited to degree and certificate-seeking students who are new to the College in the Fall semester, a fairly small group. In Fall of 2010, only 21% of LCC's enrollment fit the criteria to be in the AtD cohort. All five cohorts from 2008 through 2012 are comprised of a total of slightly over 20,200 students:

2008 Cohort -	3,825 students
2009 Cohort -	4,527 students
2010 Cohort -	4,643 students
2011 Cohort -	3,743 students
2012 Cohort -	3,483 students

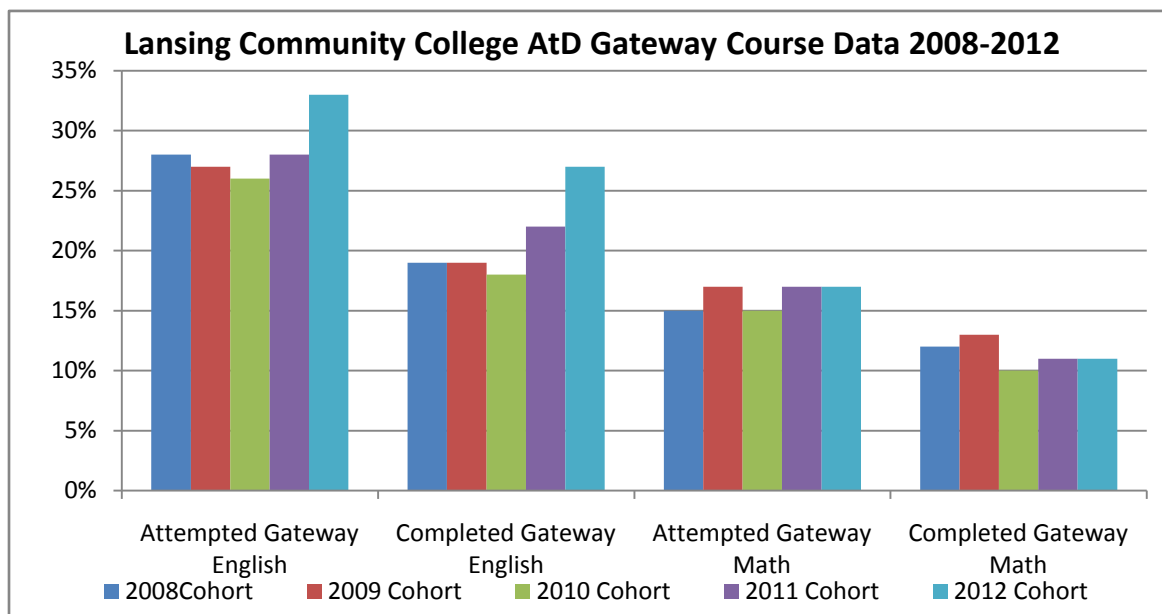
Data on the five main performance measures is shown below:

- Developmental education - AtD looks at three key measures of developmental coursework, students who completed any developmental coursework (including multiple levels below college-ready) and, ultimately, the number of students who completed the highest developmental course-one level below college-ready (see charts below for Developmental English and Development Math data).



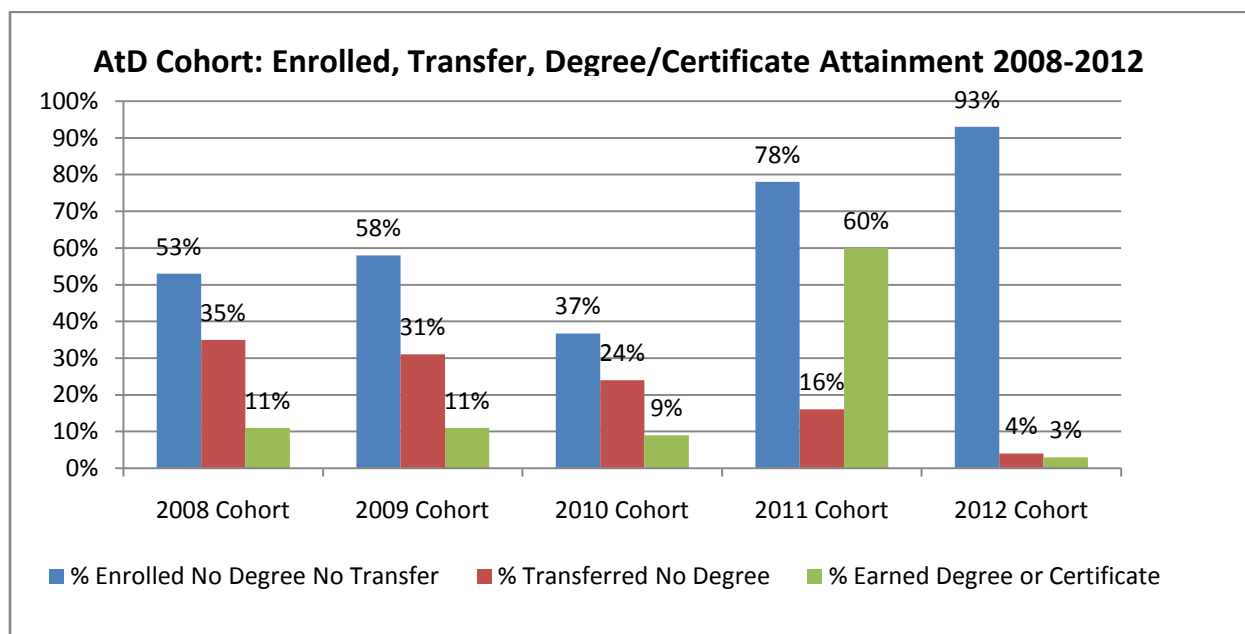
In each successive cohort, the number of first-time degree or certificate-seeking students has required the same or increasing levels of remediation, with consistently higher levels of success in completing the highest level of remediation in 2011 and 2012 over previous years.

- Gateway courses – the number of students who attempt and complete a gateway English or Math course (see chart below)



After a period of decline for 2010 in gateway courses attempted, 2011 and 2012 experienced an increase in both attempted and completed gateway courses, over 2010.

- Cohort enrollment, transfer and degree/certificate attainment – percentage of students who are still enrolled and have not transferred or earned a credential, students who transferred without a credential and students who earned a credential. LCC's data by cohort in this category is shown below:

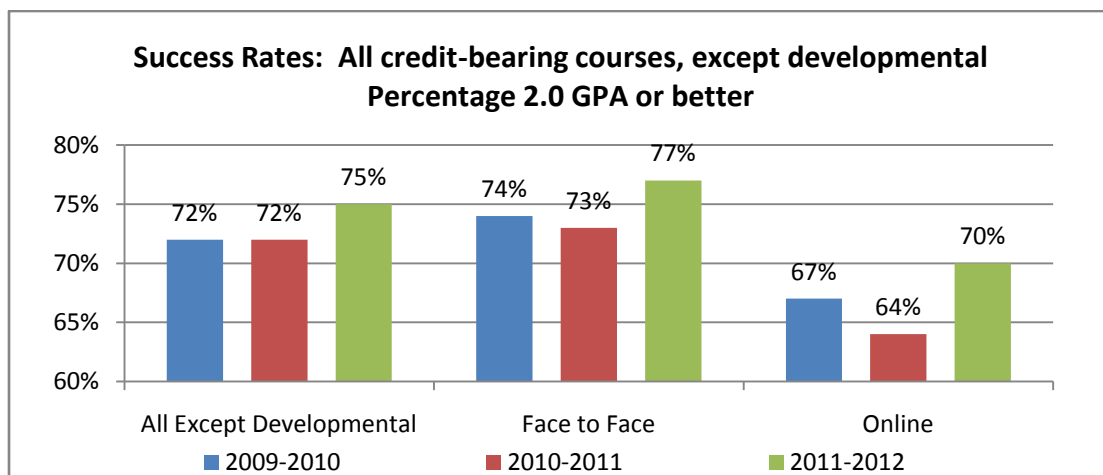


Since the data is cumulative, the highest percentage of transfers is in the 2008 cohort, given that they have had the most time to complete or transfer. Over half of the 2008 cohort is still enrolled at LCC.

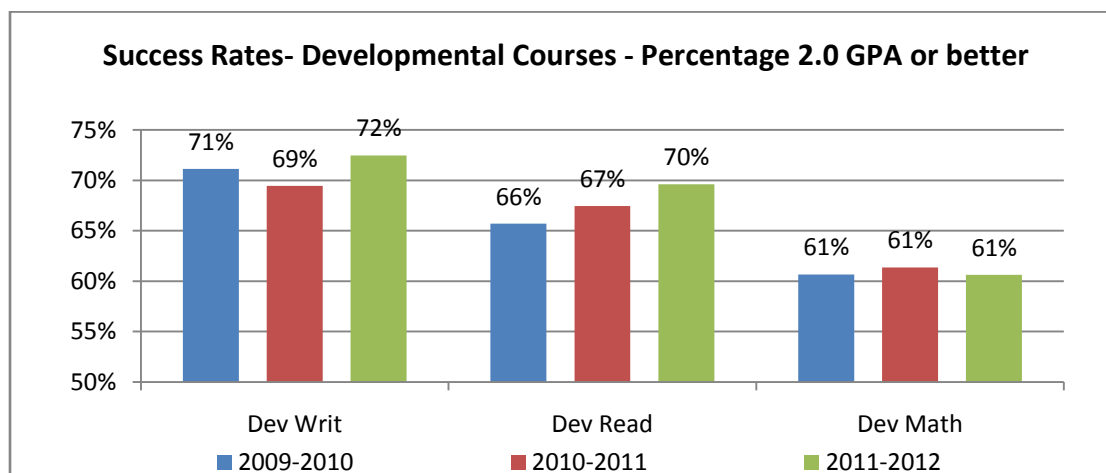
## LCC Dashboard

LCC's Institutional Dashboard differs from Achieving the Dream (AtD) in that it reports datapoints on all credit students. Similar to the AtD dashboard, the LCC dashboard measures the percentage of students in at least one developmental course, number of awards (degree and certificate) and successful completion or transfer.

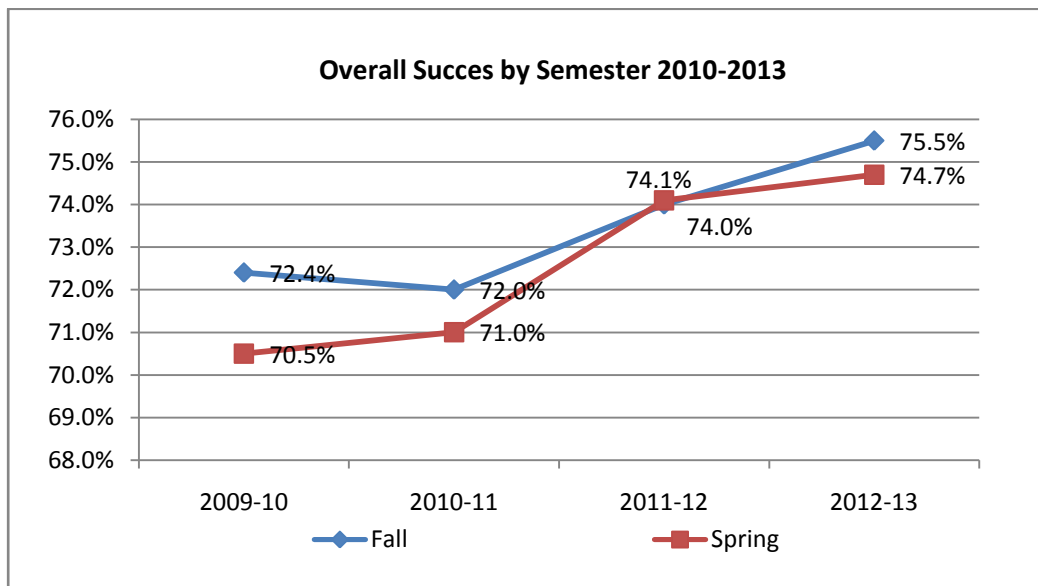
One of the ways that Lansing Community College defines student success is through the definitions provided by AtD, which defines success in any course as a grade of 2.0 or better. Looking at college level course success rates by delivery mode reveals that success rates in online classes exceeded 70% for the first time in 2012, however, a success gap still exists between online and face to face classes (see below).



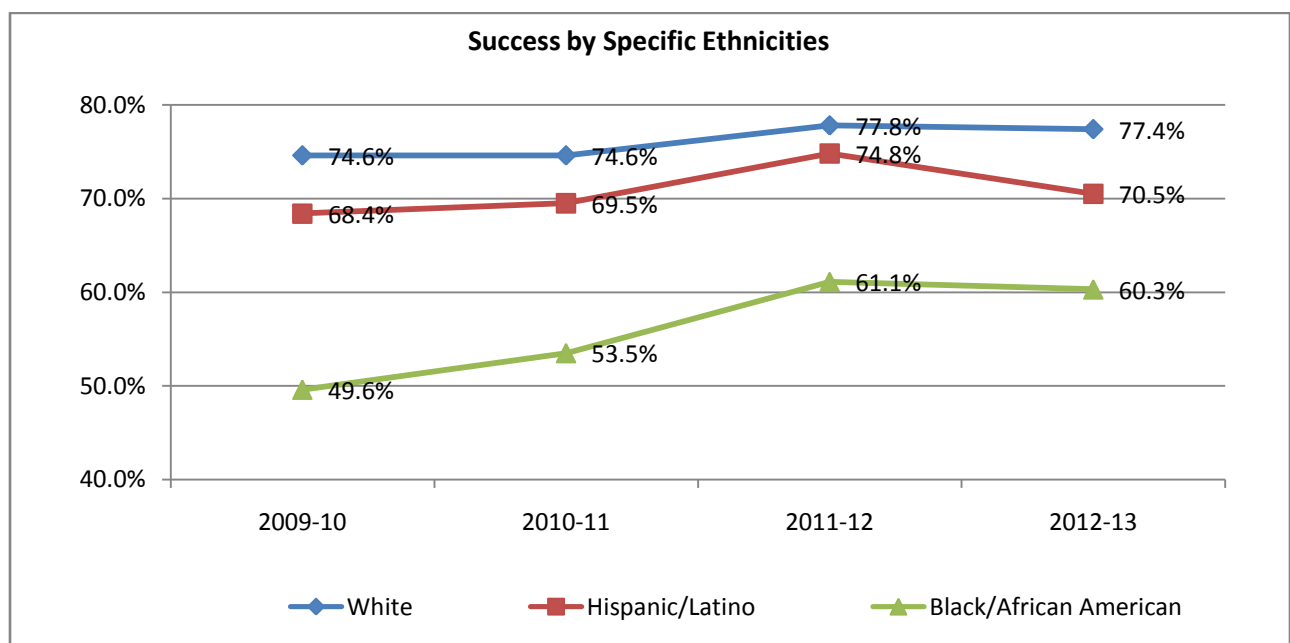
As for developmental courses, success rates in Writing and Math maintain within one percent, while Reading success rates have steadily increased over the three years.



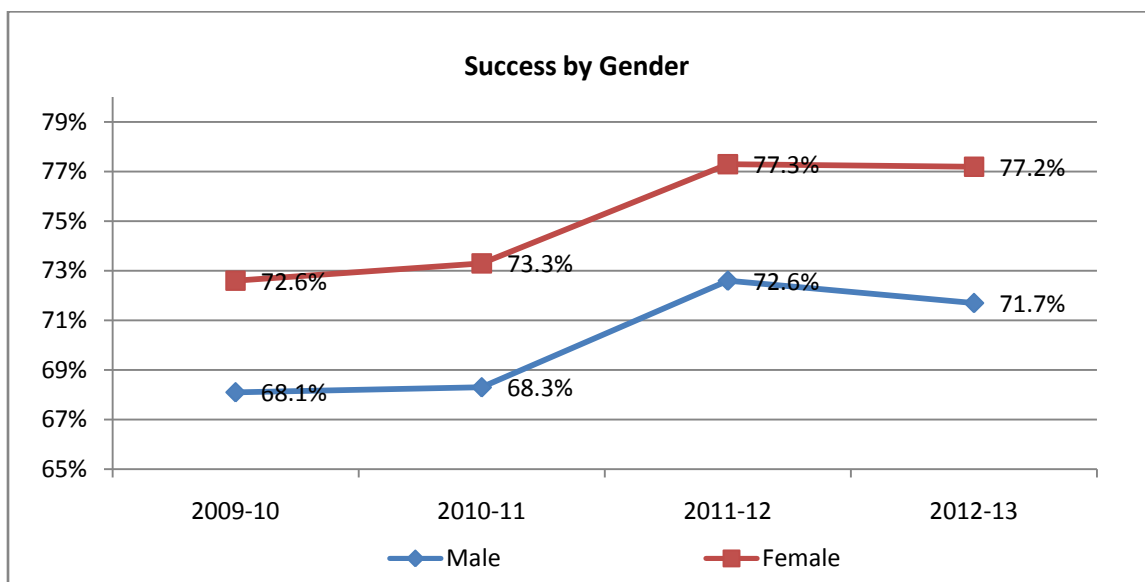
The following series of graphs displays course success, defined as a 2.0 or better in the course, both overall and by certain factions. It is important to look at population segments to see where efforts may need to be focused in order to improve student success. Overall success is over 70% and has steadily improved since the 2009-10 academic year, with little difference between the Fall and Spring terms (see below).



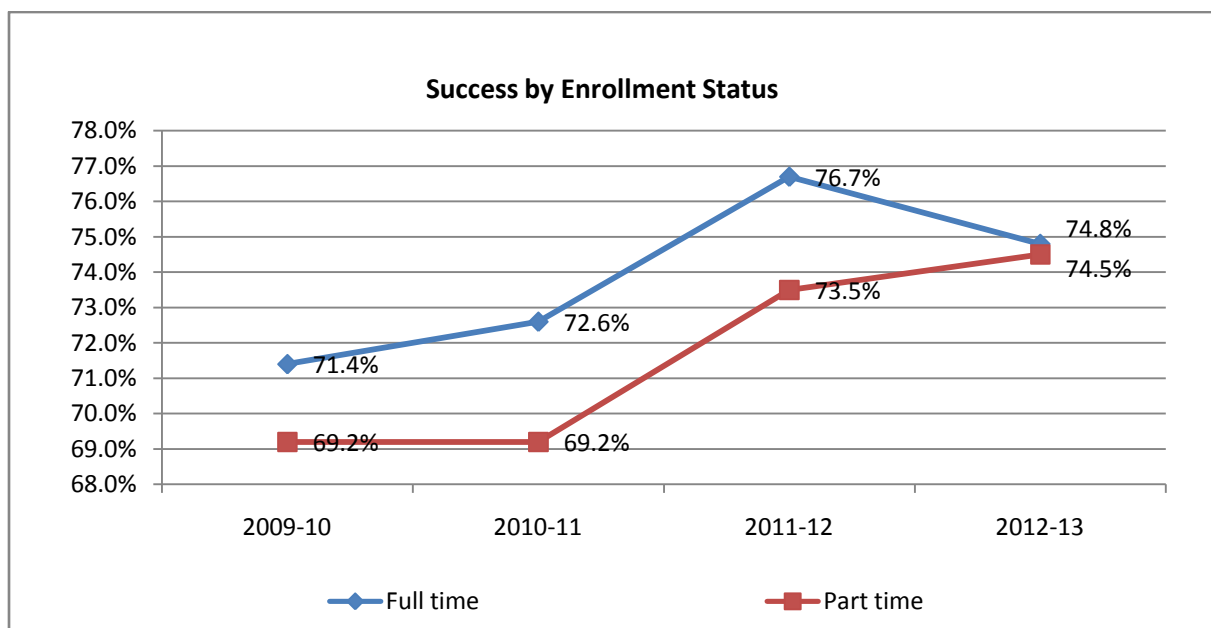
The gap between races is apparent in the graph below, though it has been closing since 2009-10. Fall 2012 enrollment included 2% who self-identified as Hispanic/Latino, 11% who self-identified as Black/African American and 68% who self-identified as White.



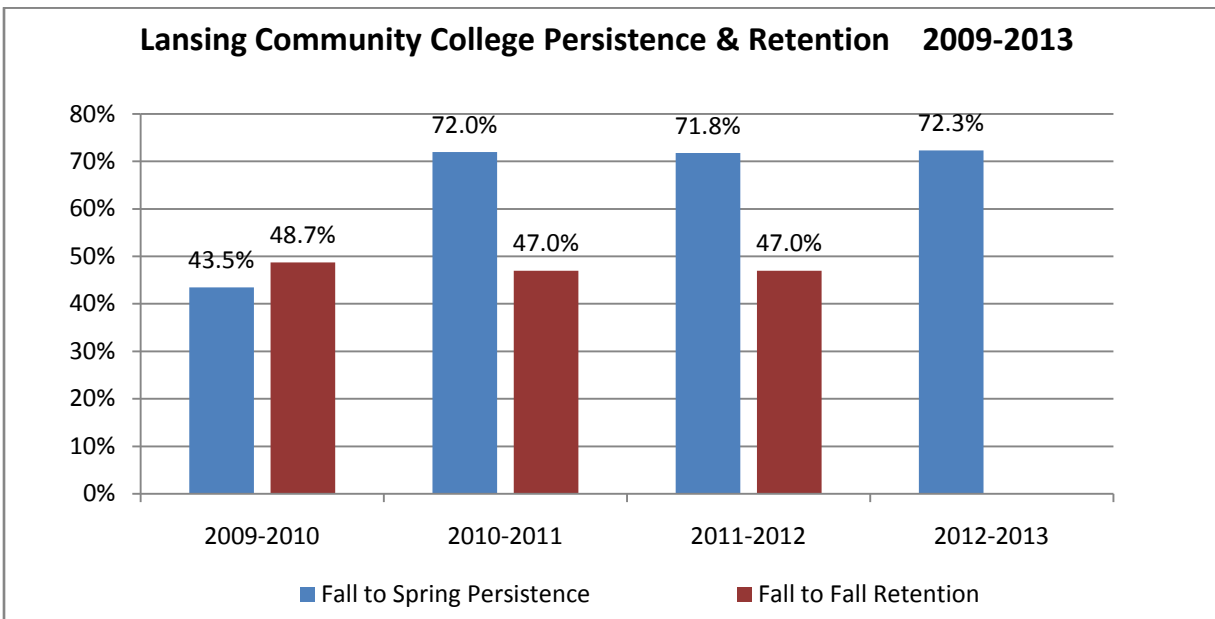
LCC's enrollment for Fall 2012 was approximately 55% Female, 44% male and 1% undisclosed. There is a consistent success gap between genders illustrated below:



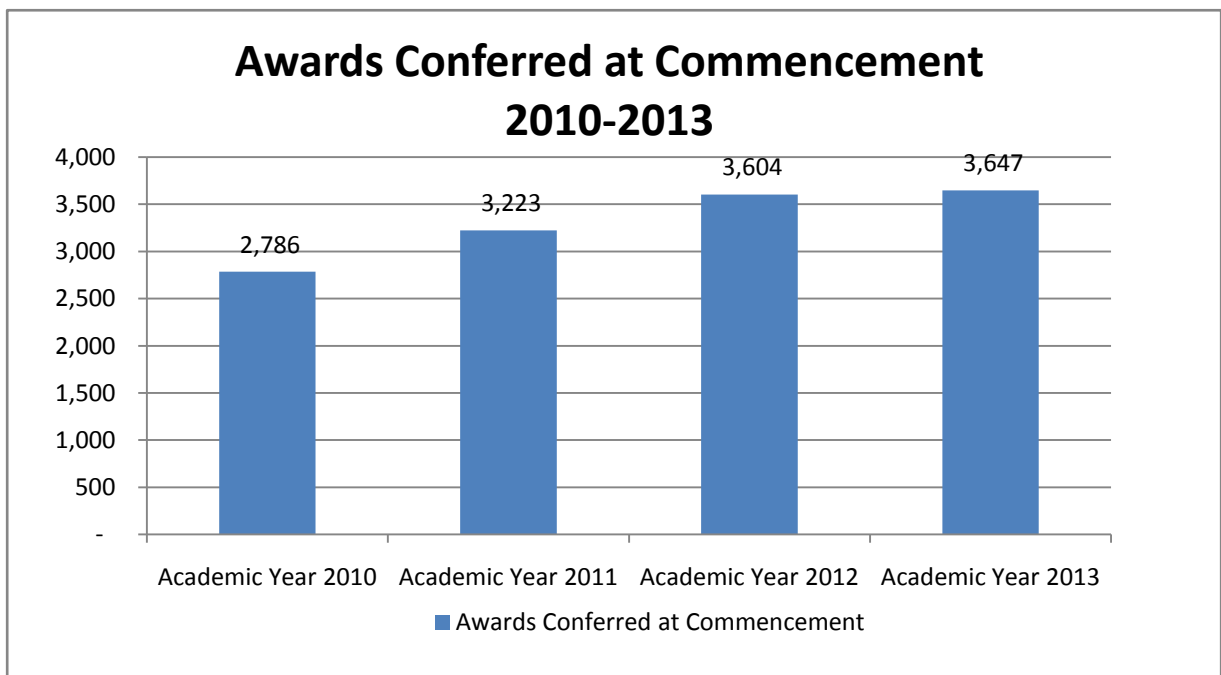
The success gap between part time and full time students has closed from a 3% gap to less than 1% (see below).



Persistence (students enrolling Fall term and returning the subsequent Spring) and retention (students enrolling Fall term of one academic year, then returning the next Fall) are important measures for LCC. Persistence and retention have changed slightly over the last three academic years (see below). Retention data for Fall 2013 is not yet available.

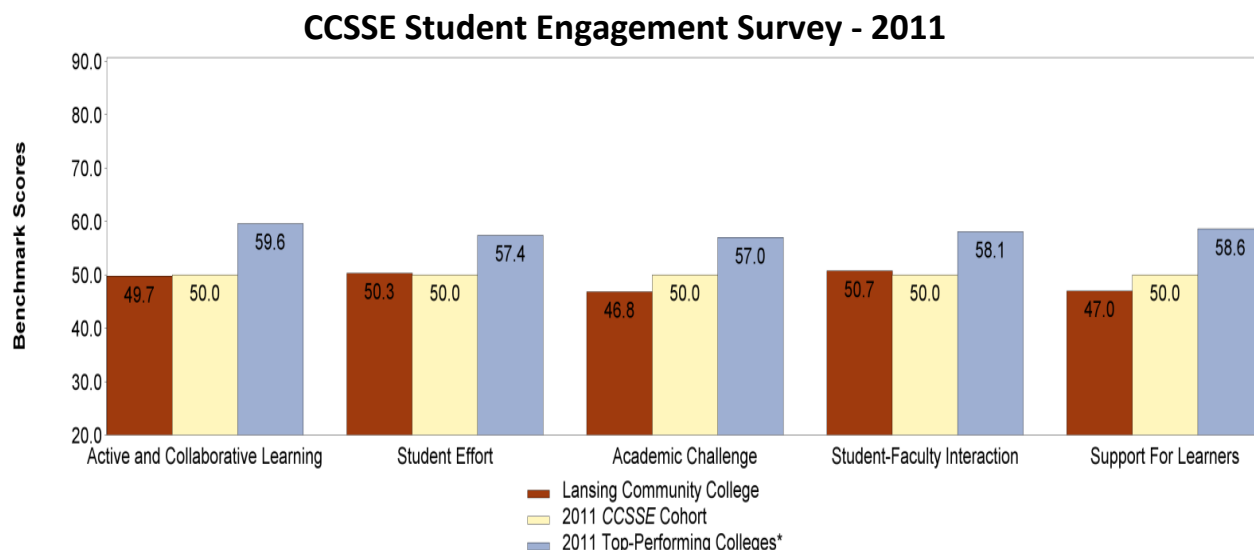


Persistence has decreased less than one percent over the last three Spring semesters. In addition to a slight increase in persistence for 2013, there has been a substantial increase in the number of awards conferred at Spring Commencement, 13.16% over the past three years. This can be linked to mandatory orientation, the increasing number of Educational Development Plans, and strategic advising. Data on credit-seeking students for 2010 -2013 is shown below:

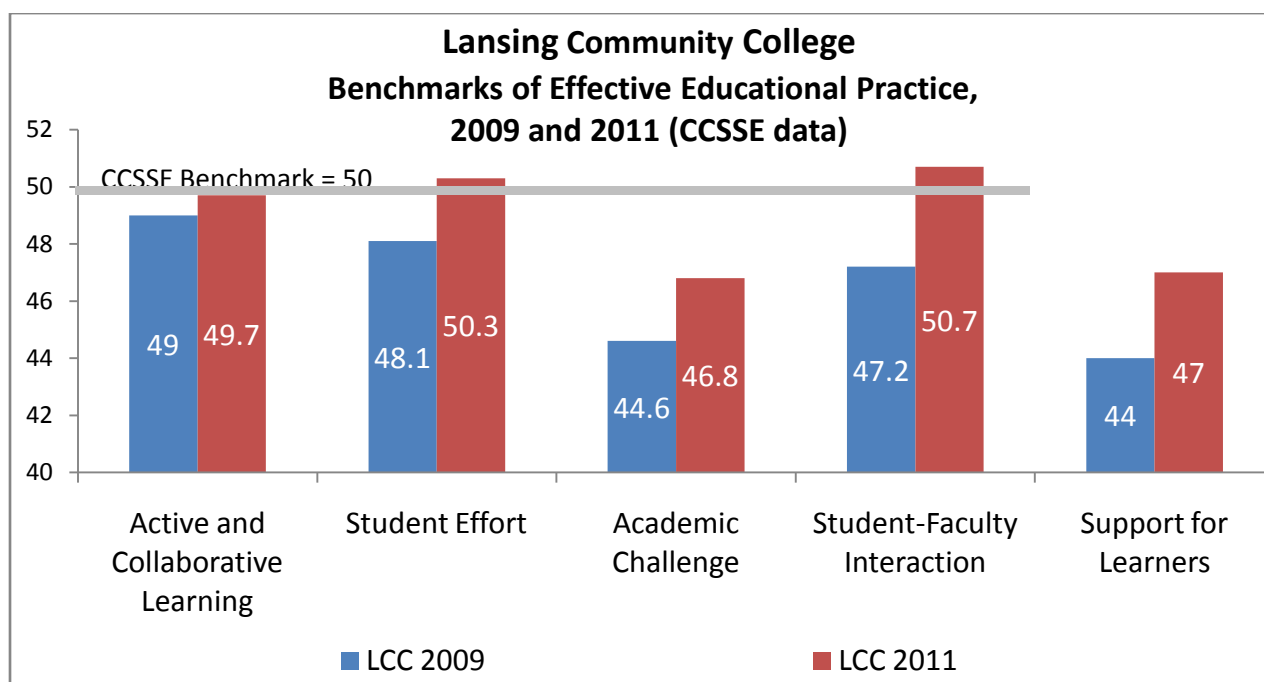


## Lansing Community College Survey of Student Engagement

LCC uses student surveys as another method of measuring performance. The chart below shows the 2011 (most recent available) data for the College on five benchmarks that are weighted aggregates of several questions on the survey, compared with a cohort and Top-Performing colleges nation-wide from the Community College Survey of Student Engagement (CCSSE):



The CCSSE was administered in 669 institutions to over 443,800 students, in random credit courses by time of day. All benchmarks are normed to a mean of 50.0 LCC's improvement from 2009 to 2011 in each of the five Benchmarks is displayed below:





# **THE BUDGET AND PLANNING CONTEXT**

## **LANSING COMMUNITY COLLEGE THE BUDGET 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 and health care insurance 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**

Since the 2008-2009 recession, generally regarded as the most severe economic contraction in more than 70 years, the economy has grown slowly and many fundamental elements of the economy remain well below their prerecession peaks, or even below historical averages. Inflation-adjusted Gross Domestic Product (GDP) in the first quarter of 2013 was only 3.2% above the level during the fourth quarter of 2007, when the recession began, and only 8.3% above the level in the second quarter of 2009, when the economy finished contracting. As a result, the economy has averaged only 2.1% annual growth since the end of the recession, compared with an average of 3.3% annual growth over the 1960-2007 period. Consumption has grown somewhat, averaging annual growth of 2.1%, but this growth has been partially offset by the contracting government sector, which has declined approximately 1.2% per year at the Federal level and 2.0% per year at the state and local levels.

Consumption growth has remained weak for a variety of reasons, and a substantial portion of any gains in spending has reflected increased purchases of motor vehicles. Consumers have remained risk averse about spending, especially for other big-ticket items and nonessential purchases, as employment growth has remained weak and wage increases have been negligible. Motor vehicle purchases have been an exception due to factors ranging from rising fuel costs' encouraging the purchase of more fuel-efficient vehicles to the marked increase in the age of the vehicle fleet. The housing market also improved substantially in 2012, although it remains weak by almost any historical measure. Housing starts in 2012 grew 28.2% compared with the 2011 level but, despite the increases, 2012 represented the fourth-weakest year of housing starts (based on data available back to 1959) and was 23.0% below the lowest year before the 2008-2009 recession.

Michigan's economy spent the 2000-2010 period in recession, largely driven by the same fundamental restructuring that affected manufacturing globally. Manufacturing has experienced a significant surge in productivity, driven by competition in the economy. For Michigan, the effect of productivity improvements was substantial, particularly given that there was more room for improvement in the durable goods and

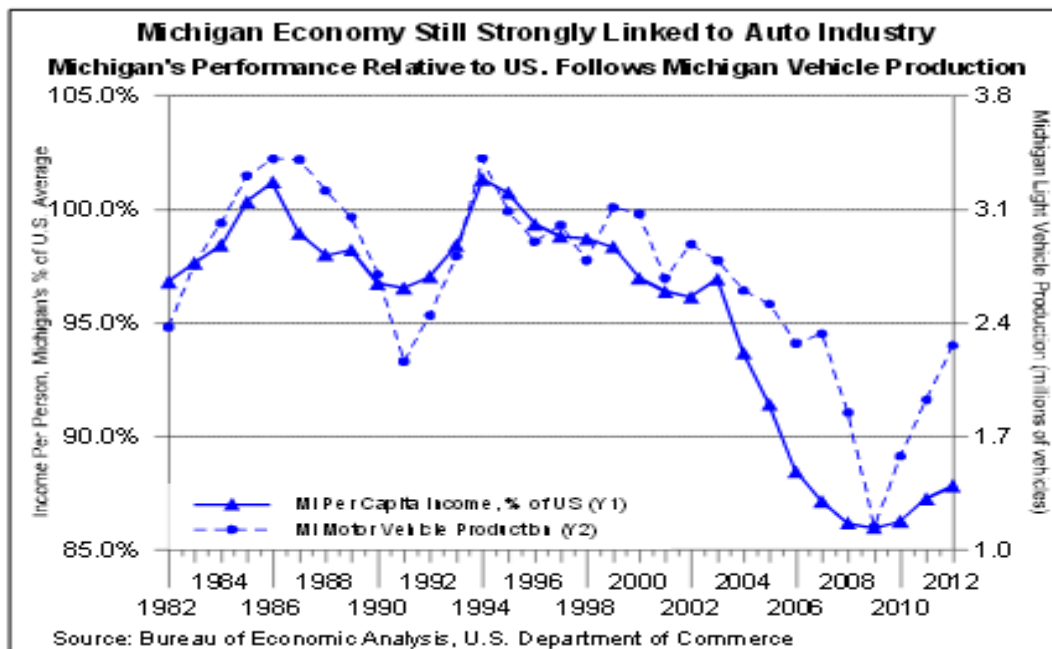
motor vehicle manufacturing sectors than many other sectors, that Michigan was, and remains, very disproportionately concentrated in motor vehicle manufacturing and that the motor vehicle industries have become one of the most competitive sectors of the economy. For Michigan, those factors were complicated as General Motors, Ford, and Chrysler lost market share over the last decade, leaving Michigan to lose employment from both productivity and reduced demand. The impact on the Michigan economy was exacerbated by the rapid and drastic decline in automobile sales in late 2008 and during 2009, reflecting national collapses in sectors such as construction, real estate, and finance.

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 87,900 jobs (20.0%) between June 2009, when the U.S. recession ended, and January 2012.

The unemployment rate declined from a high of 14.2% in August 2009 to 9.2% in January 2012, although the decline was more attributable to the departure of more than 17,000 individuals from the labor force more than to the employment gain of less than 85,000. Since January 2012, the unemployment rate has remained relatively flat, in a range between 8.9% and 9.3%.

While over the last 10 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 was 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 10 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, coupled with high energy prices and substantial debt burdens, are expected to exert a dragging force on any increases in demand over the forecast period. For Michigan, both employment gains and improvements in economic growth will be restrained by vehicle sales that are expected to remain substantially below the levels experienced over the last two decades, as little growth is expected beyond replacement demand, and the vehicle manufacturing sector is expected to continue to exhibit strong productivity gains. On the other hand, compared with the prior decade, General Motors, Ford and Chrysler's share of the sales mix is expected to remain fairly stable Michigan's economic fortunes historically have been very closely linked with sales of domestically produced light vehicles (Figure below).



Despite the improvement forecasted in vehicle sales, and the renewed profitability of domestic automobile manufacturers, much of the additional demand can be met with existing employees. Low capital costs combined with meaningful productivity growth mean few incentives to increase hiring significantly. As a result, although as of June 2009, Michigan had lost more than two-thirds of the jobs (68.2%, a decline of approximately 241,300 jobs) in transportation equipment manufacturing that existed at the May 2000 peak, the majority of those jobs will never return and any gains in employment in the near future are likely to be muted. 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 total employment reported in April 2000 (the prerecession peak) again for decades.

The forecast expects employment levels in the transportation equipment manufacturing sector to increase slightly through the forecast period. Overall employment in Michigan also is expected to grow slightly, with many of the employment gains over the forecast largely offset by declines in State and local government employment. However, for both the economy and State tax revenue to improve markedly, more substantial employment gains in the economy as a whole will need to occur. While increased profitability in the vehicle industry has stabilized much of the Michigan economy, significant and sustained growth is unlikely to occur until a meaningful recovery occurs in both the financial sector and the housing industry, and consumers have improved their debt-to-income ratios. These changes, which are expected to take years, will 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 2012-13, FY2013-14, and FY2014-15  
 May 13, 2013 Senate Fiscal Agency, State of Michigan

## CURRENT ECONOMIC ENVIRONMENT

In FY13, the Michigan economy grew more slowly than in FY12, resulting in slower revenue growth. Inflation-adjusted personal income is estimated to grow 0.6% in 2013 and 1.9% in 2014, and 1.8% in 2015, after rising 1.4% in 2012. Wage and salary employment is predicted to continue growing, increasing 1.2% during 2013, 0.8% in 2014 and 0.5% in 2015. The 1.9% increase in wage and salary employment during 2011 was the first annual expansion since 2000. Michigan's unemployment rate is expected to fall from 8.9% in 2011 to 8.1% in 2012 and 7.6% in 2013.

Inflation is not anticipated to be a concern over the forecast period, despite the assumption of high (but only slowly increasing) energy prices and a decline in the value of the dollar over the forecast period. Productivity, weak domestic consumer demand, and substantial weakness in the labor market will help keep labor costs low, with unit labor costs expected to increase 0.7% in 2013, before rising only 1.3% in 2014 and 1.8% in 2015.

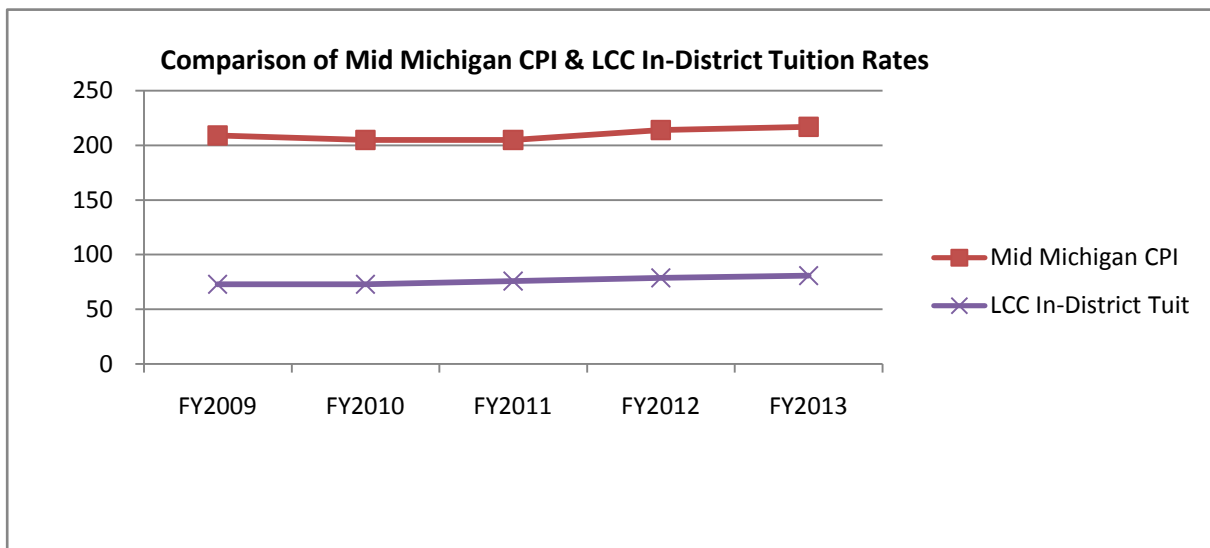
Compared with the January 11, 2013, Consensus Economic Forecast, both the U.S. and Michigan forecasts are slightly weaker in both 2013 and 2014. Weak employment growth, weak income growth, and slowdowns in overseas economies will temper the pace of the U.S. and Michigan recoveries during the forecast period. Improved vehicle sales and stronger profitability in Michigan's vehicle sector will provide stability to the Michigan employment situation as the government sector contracts.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2012-13, FY2013-14, and FY2014-15  
May 13, 2013 Senate Fiscal Agency, State of Michigan

LCC's leadership has remained firm in their stance to keep tuition rates low, in accordance with the mission to keep education affordable. Tuition increases have remained under the rate of Mid-Michigan's (defined as Clinton, Eaton and Ingham Counties by the Department of Labor) CPI increases, under the average rate of tuition increase for all 28 Michigan community colleges and under the state average tuition rate (see graphs below and see page 116, Michigan Community College Business Officers Association Tuition and Fees Survey for more information).

FISCAL YEAR	LCC In-District Tuition	LCC \$ Increase	LCC % Increase	State Avg	\$ Increase in State Avg	% Increase in State Avg
2009	\$73	\$0	0.0%	\$74	\$2	2.8%
2010	\$73	\$0	0.0%	\$77	\$3	4.1%
2011	\$76	\$3	4.1%	\$81	\$4	5.2%
2012	\$79	\$3	3.9%	\$86	\$5	6.2%
2013	\$81	\$2	2.5%	\$90	\$4	4.7%

Source: 2013 Michigan Community College Business Officer's Association (MCBOA) ACS Data - ACS Companion Data



In FY13, A modest increase of \$2 for in-district tuition was approved. For the two prior fiscal years, in-district tuition increased by \$3 per credit hour, after remaining the same for the three prior academic years. With tuition and fees accounting for nearly 44% (see below) 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.

LCC bargaining employees are represented by six labor unions. Faculty, all under one bargaining unit, have an effective agreement though June 30, 2016. Both full and part time support staff have separate agreements that also expire June 30, 2016. Administrators ratified a contractual agreement in May, 2013, expiring June 30, 2016. Fraternal Order of Police members ratified a new agreement which expires June 30, 2017 and MEA Facilities Maintenance Association and LCC have a current agreement until June 30, 2014.

## **Michigan's Revenue Forecast**

Michigan continues to experience significant pressure on the state budget and property tax valuations. In fiscal year (FY) 2012-13 General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue will total an estimated \$20.5 billion, 1.6% above the FY2011-12 level, and \$541.9 million above the January 2013 consensus estimate. Reflecting tax changes enacted during 2011, GF/GP revenue is expected to decrease 0.2% from the FY2011-12 level to \$9.2 billion, while SAF revenue is projected to decline 3.1% to \$11.2 billion.

In FY 2013-14, GF/GP and SAF revenue will total an estimated \$20.9 billion, up 2.3% from FY 2012-13 and \$243.4 million above the January 2013 consensus estimate. GF/GP revenue will total an estimated \$9.5 billion, an increase of 2.6% from FY 2012-13, that largely reflects changes in tax policy, while SAF revenue will rise to an estimated \$11.5 billion, a 2.2% increase.

In FY 2014-15, GF/GP and SAF revenue will total an estimated \$21.6 billion, up 3.1% from FY2013-14 and \$182.4 million above the January 2013 consensus estimate. GF/GP revenue will total an estimated \$9.8 billion, an increase of 3.2% from FY 2013-14, while SAF revenue will rise to an estimated \$11.8 billion, a 3.0% increase.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2012-13, FY2013-14, and FY2014-15  
May 13, 2013 Senate Fiscal Agency, State of Michigan

## **State Appropriations**

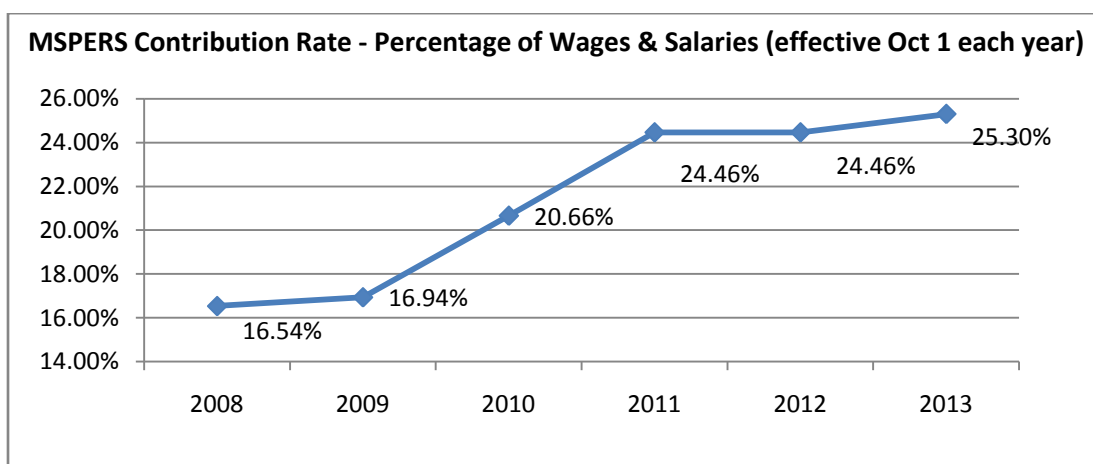
Michigan's economic struggles and uncertainty have increased pressures on already limited resources. Until FY12, the American Recovery and Reinvestment Act of 2009 (ARRA) mitigated the economic situation by the appropriation of \$53.6 billion to states for fiscal relief to the State Fiscal Stabilization Fund. These funds were used to ensure that appropriations through State funding formulas for K-12 school districts, community colleges, and universities in FY09, FY10, and FY11 were at least equivalent to FY08 levels. With this resource coming to an end, FY12 appropriations reduced funding 3.7% to LCC.

The increasing desire for accountability and performance measures caused the state to tie appropriations to performance formulas for the first time in FY13. A funding formula including a performance-based segment was implemented for community colleges. In FY13, the funding formula was 50% proportionate to Base; the other 50% based on performance measures using an average calculated from the last 3 complete years – FY2009, FY2010 and FY2011: 10% based on student contact hours, 7.5% based on an Administrative cost component, 17.5% based on weighted degrees in critical skills areas (includes science, technology, engineering, mathematics and health fields) and 15% based on Strategic Value (defined as meeting certain best practices).

Performance measures are recalculated according to the most recent data for FY14. The funding formula remains the same as in FY13, though the Governor's proposal modified the formula by tying local strategic value to the receipt of all performance

funding and using 15% of the formula previously allocated for Local Strategic Value to a new Skilled Trades Placement category. The final appropriation bill retains the 15% allocation for Local Strategic Value and requires each college to certify how it meets each best practice measure and includes language that tasks the Department of Technology, Management and Budget to report on the feasibility of providing accurate information on student educational outcomes in the employment market.

The increasing unfunded cost of health care for retirees in the Michigan Public School Employees Retirement System (MPSERS) has been a concern over the last five years; contribution rates have increased steadily since 2008. As demonstrated below, as of Oct 11, 2012, there has been nearly a 53% increase in the employer contribution rate since that time, due to the escalating cost of retiree health care which was not pre-funded.



In 2012, legislation was passed to reform MSPERS Retirement. As a result, the overall rate of increase has slowed considerably. Employees had options to select regarding health care and level of future benefit, based on their contributions to share in costs. Seven different rates are now possible for current employees. In addition, a \$31.4 million appropriation has been made from the state's community college budget to transfer funds to the Office of Retirement Services to assist in holding down employer contribution rates.

An appropriation from the School Aid Fund of \$1,733,600 for community colleges was included for the first time in FY13 for the purpose of offsetting the increase in MPSERS retirement contributions attributable to the 0.25% increase in retiree health costs. Distributions were on an across-the-board basis. For FY14, this funding is continued, but is distributed in proportion to each college's total MPSERS-covered payroll.

FY13 total state appropriations for LCC netted a 3.4% increase over FY12 (the first increase since 2008). For FY14, the net result for LCC is a 1.8% increase in total state appropriations.



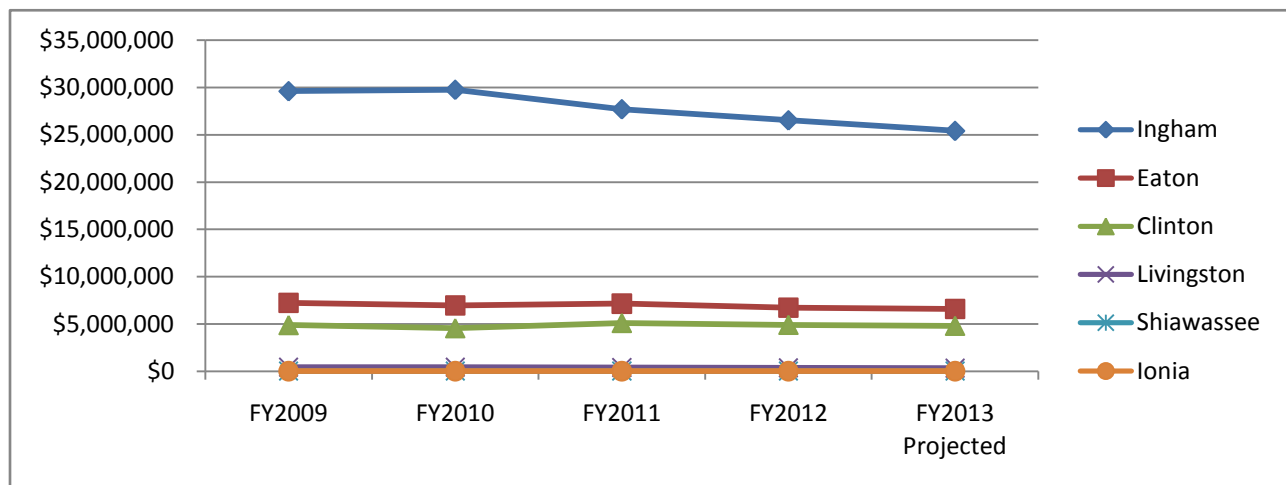
## Property Tax Revenue Trends

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 FY07, property tax revenues were higher than any other source of revenue for the College accounting for 37% of total revenue in FY07. 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.

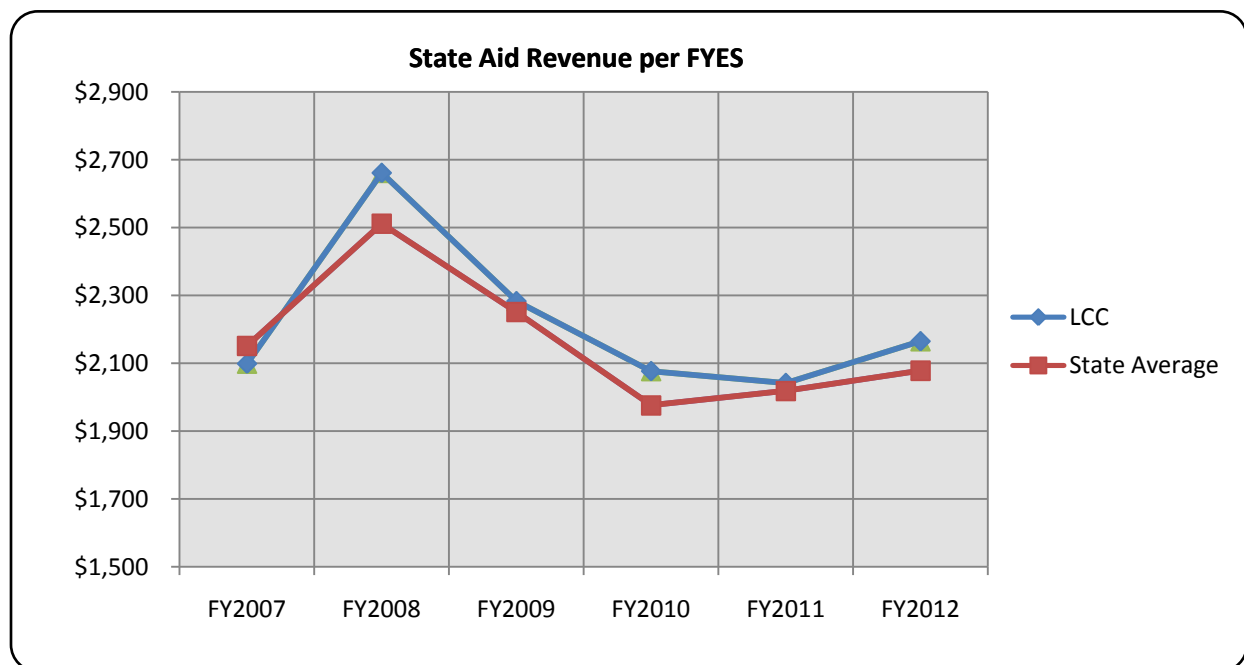
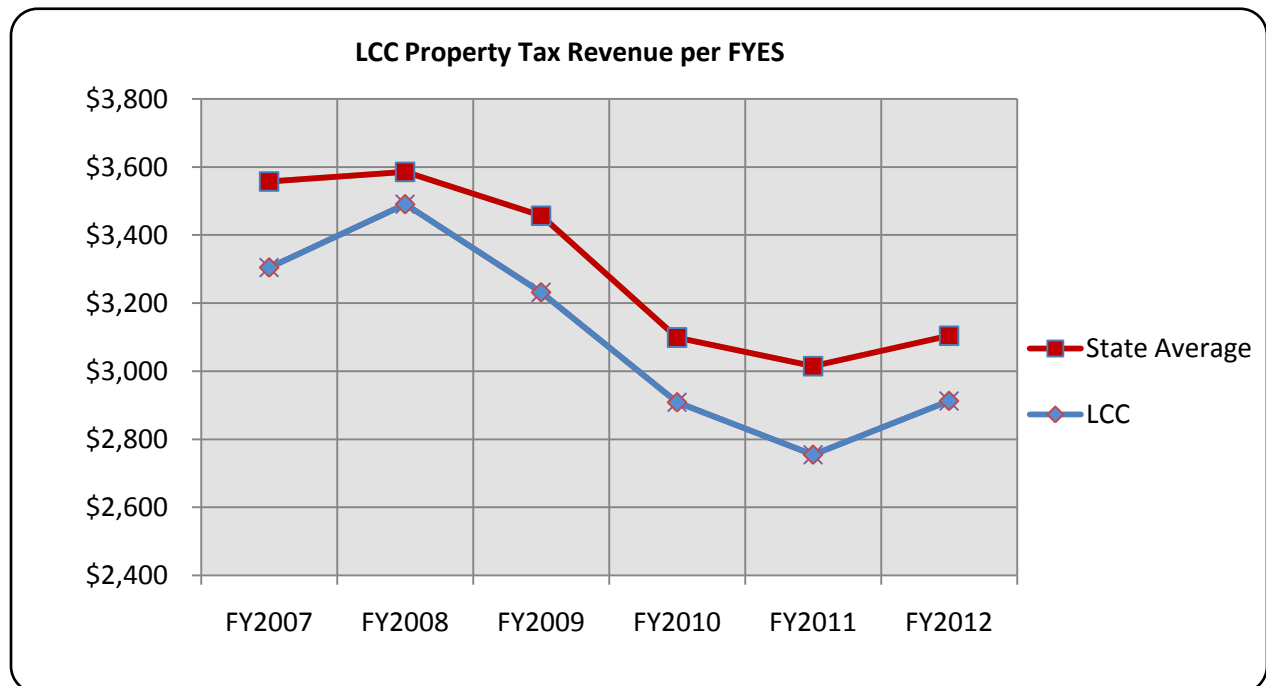
**PROPERTY TAX REVENUES BY COUNTY**

COUNTY	FY2009	FY2010	FY2011	FY2012	FY2013 Projected
Ingham	\$29,581,600	\$29,732,000	\$27,683,000	\$26,512,200	\$25,402,000
Eaton	\$7,212,000	\$6,948,800	\$7,135,600	\$6,708,000	\$6,579,300
Clinton	\$4,877,000	\$4,543,400	\$5,103,400	\$4,906,700	\$4,802,300
Livingston	\$428,000	\$420,000	\$387,400	\$367,000	\$324,300
Shiawassee	\$26,700	\$31,300	\$28,800	\$28,300	\$28,100
Ionia	\$21,700	\$6,100	\$21,300	\$21,400	\$22,000
Total	\$42,147,000	\$41,681,600	\$40,359,500	\$38,543,600	\$37,158,000



The second factor having a negative impact on the College's revenues derived from property taxes is also related to the economic environment. Until FY07, at least 50% of the outstanding property tax at the end of the fiscal year was ultimately collected. After FY07, 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 2010-11 Data Book & Companion) show clearly this state of affairs in the following two data charts.



## Enrollment

In the decade between 2001-2010, the College's enrollment increased over 28%, nearly double the increase in the State's aggregate community college enrollment over the same period. Lansing Community College has seen an 11% increase in the out-of-district student contact hours over the five year period from FY06-FY10, likely due to increased offerings beyond LCC's downtown campus, including virtual courses and demographic shifts away from the epicenter of the College's district to outlying areas. Currently, the residency of our students is comprised of 64.4% in-district hours and 35.6% out-of-district hours.

Over the four year period from FY08-FY11, LCC's student credit hours increased 22.6% to slightly over 410,000 (see chart), and the amount of federal aid processed for students has jumped from \$60 million to \$90.5 million. Managing that growth without a comparable increase in the budget has required careful decisions.

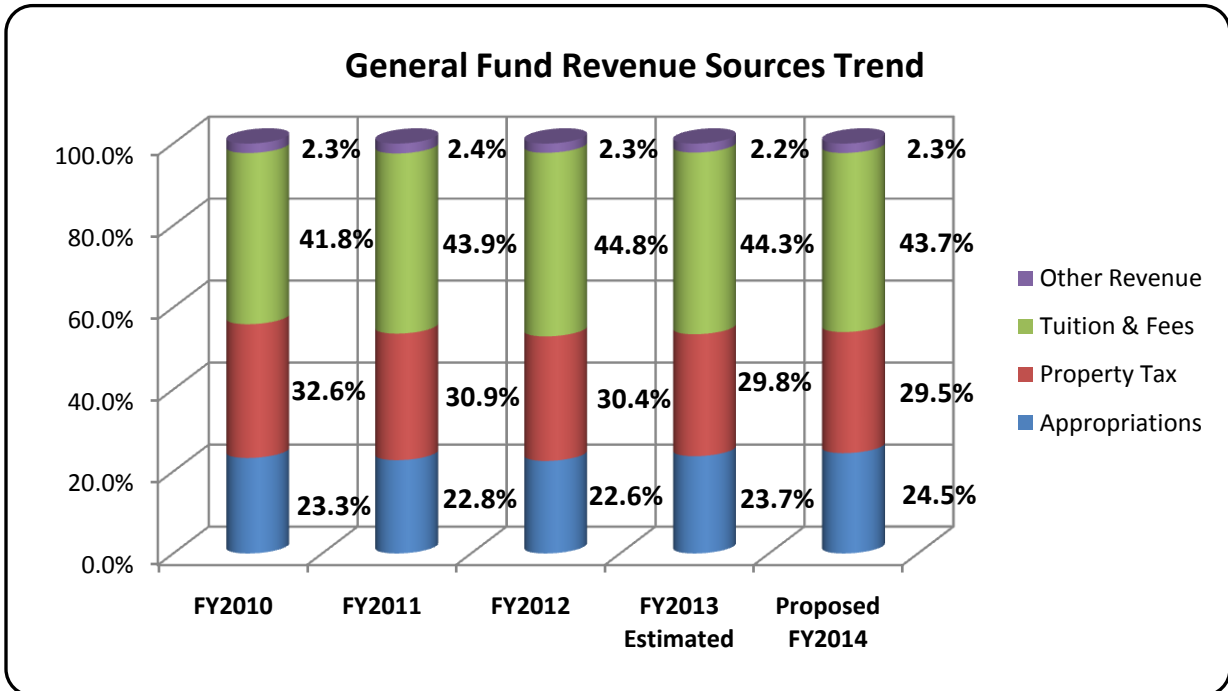
LCC Enrollment	FY2008	FY2009	FY2010	FY2011	FY2012
College (unduplicated head count)	30,620	32,024	33,442	34,413	31,045
Fiscal Year Equated Students	11,953	13,039	14,328	14,649	13,232
Total Credit Hours	370,542	404,223	444,177	454,114	410,190

Federal regulatory changes, economic conditions, demographic adjustments, and student success policies are causing downward pressure on enrollment and credit hours taken per student. By the end of the first quarter of FY12, 27 of the 28 Michigan community colleges experienced enrollment declines. For the first time in over a decade, a declining trend in tuition and fees revenue was experienced at LCC. An unprecedented budget amendment was adopted in FY12, reducing revenue and expenses by \$4.5, to accommodate enrollment decline.

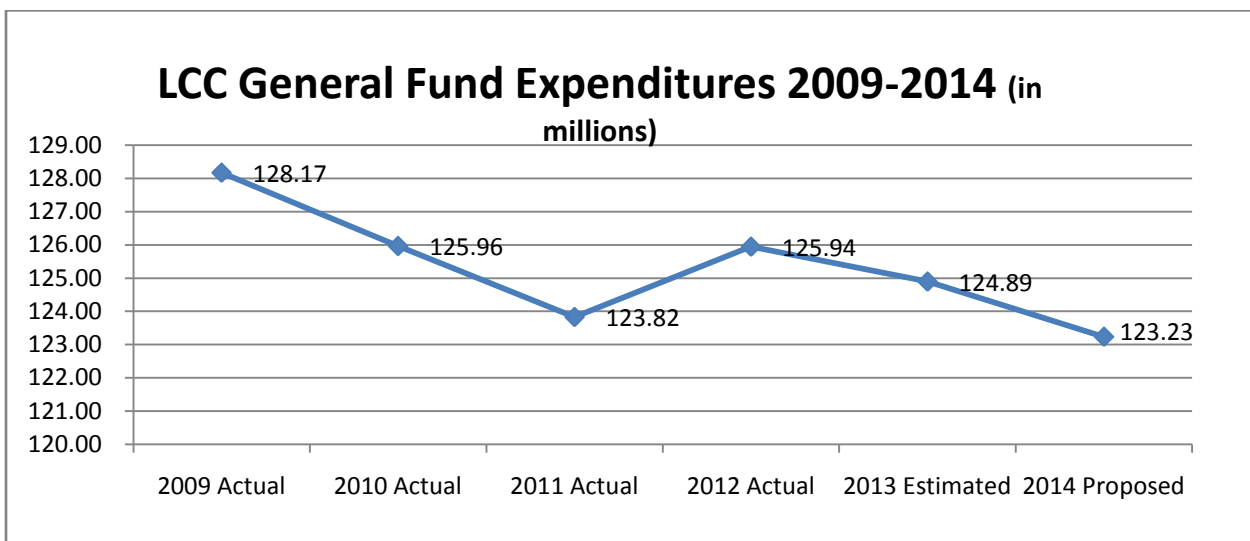
Tuition and fees revenue decreased 1.1% in FY12 and is projected to decrease by another 2.5% in FY13. Preliminary numbers indicate that FY13 has experienced an overall decline in hours of 7.6%. Projections suggest that the decline in credit hours will continue at a rate near 7.5% for FY14.

## Impacts on FY14 Budget Planning

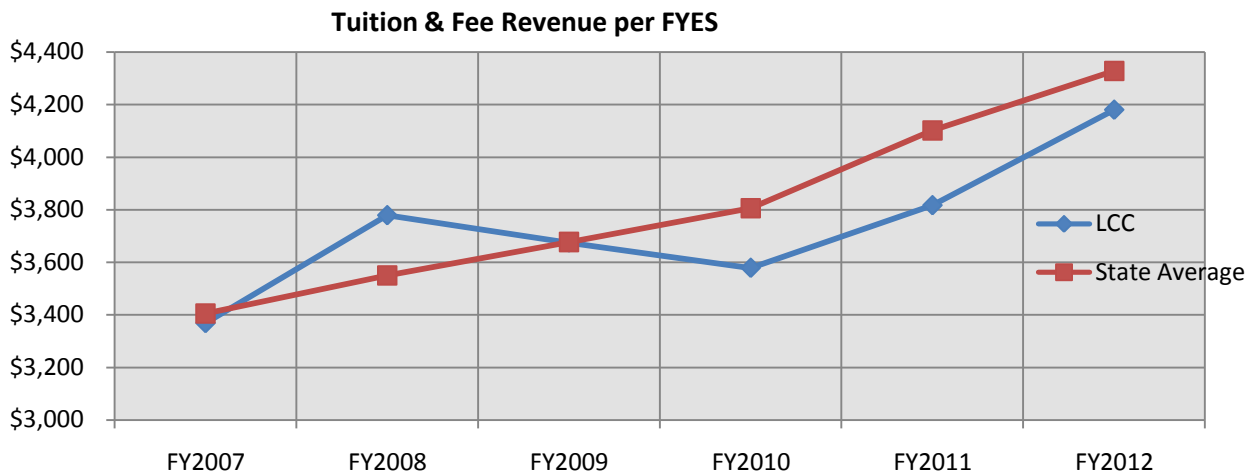
Prior to FY08, State of Michigan appropriations and property taxes (public revenues) provided more than 60% of the College's revenues. This percentage fell to 53.5% for FY13, and is 53.2% in the proposed budget. When coupled with the meteoric rise in MPSERS costs, the result is an even more dramatic decline in State support. The chart below demonstrates the trends for revenue sources at LCC.



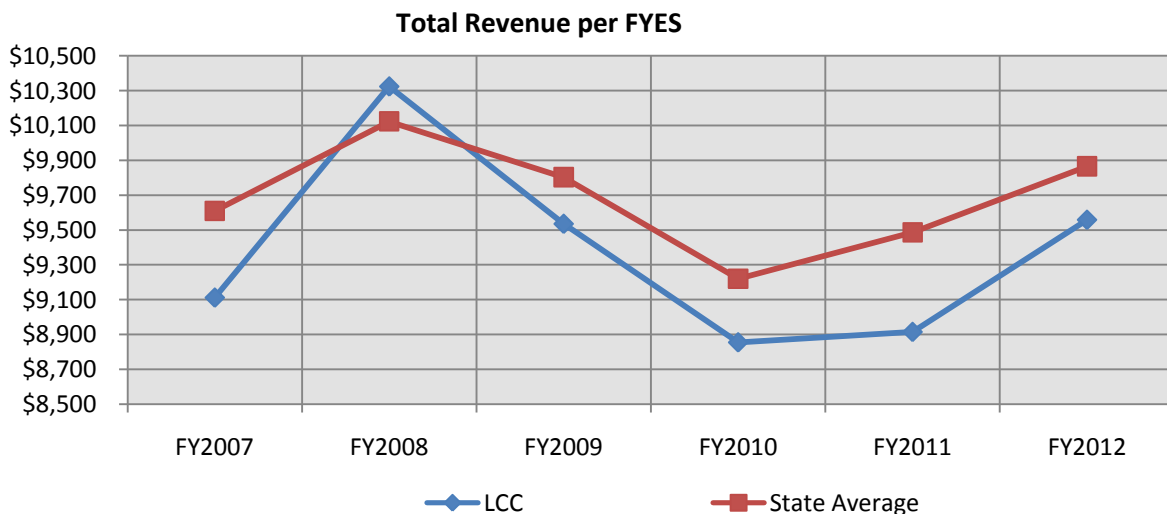
Rising costs, reduced state appropriations, and voter reluctance to increase millage rates leave community colleges with the sole option of raising tuition if they wish to maintain or expand programs. This option has been forced on all the community colleges in Michigan in the past decade. LCC's tuition revenue has gone from being 36.7% of operating revenue to a peak of 44.8% in FY12. For FY14, the proposed budget estimates tuition and fees revenue at 44.6% of total revenues. Since 2008, measures such as capped health care expenses, elimination of certain high cost academic programs, workforce reductions, implementation of efficiencies and careful tuition pricing have stabilized operations and contained costs to keep LCC's in-district tuition rate the third lowest of Michigan's community colleges, while remaining the third largest, with one of the highest per capita enrollment levels among its 28 peer institutions.



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.



While public revenues per Fiscal Year Equated Student (FYES) have been flat or declining, tuition and fee revenue per FYES has been rising steadily, for both LCC and the State average (see chart above). 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 FY14. The planned changes range from a 1.1% to a 14.6% increase for in-district tuition. See the Michigan Community College Business Officers Association - Tuition and Fees Survey in the Appendix (page 116).

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 FY14 took place in a very tough economic and fiscal environment. Years of cutting budgets had exhausted the easy choices. The college faced the same intense financial pressures facing every educational institution in the state. Early on, the FY14 budget planning process pointed to a budget gap of \$3.1 million. This situation provided a very challenging framework for the College's budget planning.

The main factors underlying this significant budget gap included: falling property tax revenues, personal property tax reform, enrollment decline, and rising employer contributions to the Michigan Public School Employee Retirement System (MPSERS). Labor contract negotiations and health care contract negotiations provided other tenuous factors. Potential health care cost increases are somewhat mitigated by PA152, the legislation limiting the amount of public employer cost for health care premiums. The estimated impact of PA152 is a \$1.2 million savings for LCC in FY14.

The College had no choice but to make very strategic fiscal decisions which necessitated tough reduction in costs college-wide. Budget decisions were made in the context of the Board's 2013 Strategic Goals:

1. Marketing and Communication (E-106)
  - a. External Marketing
  - b. Internal Communication
  - c. Community Engagement
2. Student Success (E-105)
  - a. Initiatives that will improve retention
  - b. Execute the Diversity Plan
  - c. Robust Honors College
3. Focus on Internal & External Customer Service, with Staff Development & Recognition
4. Quality Education (E-102)
  - a. Develop and Implement the next generation of Get a Skill, Get a Job Program
  - b. Focus on Efficiencies – remain low cost provider of quality education
5. Asset Protection (EL-204)
  - a. Excellent audit results

The Board's regular planning cycle indicates a budget proposal will come before the Board at the regular May meeting. By mid-April, it was clear that more time was needed to analyze and validate the divisional proposals to be certain to understand full impacts before finalizing a budget proposal. State appropriations, health care contract negotiations and some of the bargaining unit's labor contract negotiations were not finalized. The budget workshop and public hearing were set for early June. LCC's assumptions for state appropriations were set based on the conference report.

Efficiency enhancements totaling \$2.04 million and \$0.53 million in revenue enhancements were identified and incorporated into the proposal to assist with closing the gap. Deferring strategic initiatives, further involuntary staff reductions in force or using College unrestricted reserves were considered to balance the budget but not included in the Administration's recommendations.

In FY13, two academic areas of the college were significantly reorganized (see *Academic Divisions*, pages 15-18), in part, to achieve institutional efficiencies and cost savings, as well as enhancing student success. Additionally, Student Services Division underwent a third party assessment from American Association of Collegiate Registrars and Admissions Officers Consulting, based on best practices and higher education standards. A budget of \$500,000 is included in the FY14 Budget to implement changes in Student Services.

After careful review of historical expenditures and existing budgeted vacant positions, the administration bridged the remaining gap with the following:

- Implement a modest tuition rate increase of \$3 per billable hour for in-district residents and increases per established formulas for out-district residents
- In recognition of LCC's technology-rich environment, implement a \$1 technology fee -20 community colleges have a technology fee ranging from \$2 to \$24. One other college is proposing a technology fee for FY14.

On June 4, 2013, the Administration's FY13 Budget proposal was presented in a workshop. At the workshop, the Board and attending public were shown a projected budget gap of \$3.1 million. The attendees were reminded of the numerous ongoing initiatives begun in previous years that support the college goals as well as the reinvestment proposals for new funding. The new reinvestment and savings proposals were affinitized into the five Board Goals for 2013 (see pages 82-83). In addition, the savings proposals were presented by Division and dollar amount.

The workshop proposed that the budget gap be closed in the following way:

Summary: Closing the Gap - FY14 Workshop Proposal June 4, 2013	
Projected Budget Gap	(\$3,105,000)
Addition Revenue Resources	\$531,000
Reinvestment Proposals	(\$1,816,000)
Savings Recommendations	\$2,036,000
Conference Committee appropriation above baseline	\$114,000
Reduction in Grant Match & Capital Costs (one-time initiatives)	\$150,000
Adjustment to "true up" expenses to actual	\$156,000
Increase in contingency to 1% of total revenue, per Board of Trustees' policy	(\$26,000)
Recommended \$1 Technology Fee	\$385,000
Recommended \$3 In-District Tuition Increase	\$1,575,000
Balanced Budget	\$0

On June 17<sup>th</sup>, a public hearing was held for the FY14 budget immediately prior to the Board of Trustees' regular meeting. During the regular meeting, the Administration presented a budget requesting a \$3 in-district tuition increase and a \$1 Technology fee.

The Board discussed the proposal at length. They determined to reconvene for the purpose of deciding upon an FY14 budget on June 20<sup>th</sup>. On June 20<sup>th</sup>, the Board considered two Budget scenarios prepared by the Administration, as requested. Scenario A proposal was the same as presented on the 17<sup>th</sup>; Scenario B proposed a \$2 tuition increase, \$1 technology fee and utilizing \$522 thousand of Fund Balance.

During the deliberations, the Board members mentioned:

- Enrollment projections are conservative, per Board policy; however, they are based on a model that has proven to be reasonable in FY2013
- The proposed tuition increase is above the rate of inflation (2.0%)
- Vacancy experience has been above the required budgeted vacancy factor
- Fund equity has increased the last 3 years and contingency funds have not been fully utilized during the fiscal year
- Until FY2007, the Board was trying to bring the Undesignated Fund Balance to equate to 10% of revenue
- At the end of FY2008, the Board designated \$3.155 million of the Fund Balance as "Tuition Stabilization Set Aside" in recognition of the extreme economic hardship of the area. That amount of funding would be utilized for operations so that tuition would not be raised in FY2009. The FY2009 adoption resolution included language that "all efforts be taken to reduce future tuition increases and that the College not use its reserve to do so" (June 9, 2008, Regular Board of Trustees Adopted Meeting Minutes)
- Remaining contingency in FY2009, FY2010 and FY2011 were used, in part, to help with the *Build Forward* and the local share of the Capital Outlay project funded by the State of Michigan



The Board of Trustees determined that a \$2 tuition increase, \$1 technology fee and reducing the annual contingency fund to \$716,000 (0.58% of anticipated revenue) would be acceptable. The Board adopted the Administration's proposed budget as recommended at the Special Meeting of June 26th, also approving the tuition structure described above and displayed in the chart below:

<b>Residency</b>	<b>Current Tuition Rate</b>	<b>Proposed Increase Fall 2014</b>	<b>Proposed Tuition Rate Fall 2014</b>
In District	\$81	\$2	\$83
Out of District	\$162	\$4	\$166
Out of State	\$243	\$6	\$249
International	\$284	\$7	\$291

For a summary of how the budget gap was closed, see the chart below:

<b>Summary: Closing the Gap - FY14</b>	
Projected Budget Gap	(\$3,105,000)
Addition Revenue Resources	\$531,000
Reinvestment Proposals	(\$1,816,000)
Savings Recommendations	\$2,036,000
Conference Committee appropriation above baseline	\$114,000
Reduction in Grant Match & Capital Costs (one-time initiatives)	\$150,000
Adjustment to "true up" expenses to actual	\$156,000
Decrease in contingency, by Board recommendation	\$496,000
Recommended \$1 Technology Fee	\$385,000
Recommended \$2 In-District Tuition Increase	\$1,050,000
Balanced Budget	\$0

In the Budget and Strategic Planning Decisions table on the next page, the reinvestment and savings proposals are categorized by Division, Board Goals and the Strategic Plan focus areas.

**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES**

<b>Divisional (Div) Code Key</b>	
AA	<b>Academic Affairs</b>
AS	<b>Administrative Services</b>
Arts & Sci	<b>Arts &amp; Sciences</b>
AEA	<b>Advancement and External Affairs</b>
ELPS	<b>Extended Learning &amp; Professional Studies</b>
Exec	<b>Executive</b>
HHS	<b>Health &amp; Human Services</b>
HR	<b>Human Resources</b>
ITS	<b>Information Technology Services</b>
SS	<b>Student Services</b>
TC	<b>Technical Careers</b>

## Budget and Strategic Planning Decisions - FY2014

### FINANCIAL IMPROVEMENT INITIATIVES

Trustee Goal	Div	Description	Strategic Plan						Amount
			A: Competi- tiveness & Innovation	B: Learning	C: Student Success	D: Community Engagement	E: Leadership, Culture & Communication	F: Resource Management & Fiscal Responsibility	
<b>1a. Marketing &amp; Communications (E-106): External Marketing</b>	AA	Costs for generating D2L revenue of \$30,000	X						\$2,000
	AEA	Increase in Advertising & Marketing	X			X	X		\$45,000
	ELPS	Provide additional resources to expand AACC Encore Plus 50 Completion Program	X			X			\$28,000
	ELPS	Create Learn to Swim Program	X			X			\$25,000
<b>1b. Marketing &amp; Communications (E-106): Internal Communication</b>	Exec	Create Funding for Academic Senate		X	X		X		\$100,000
	HR	Professional Development, including Customer Service, Leadership & Communication Training	X		X	X		X	\$200,000
<b>1c. Marketing &amp; Communications (E-106): Community Engagement</b>	AEA	Increase in Advertising & Marketing	X			X	X		see 1a above
	ELPS	Costs of market study to develop new Diversity training program	X			X	X		\$10,000
	ELPS	Convert part-time Business Development Manager position to full time	X			X			\$31,000
	ELPS	Expand AACC Encore Plus 50 Completion Program	X			X			see 1a above
	ELPS	Expand youth program				X			\$10,000
	ELPS	International Students; K-12 Initiatives (Chinese, Elgin & Holt)	X			X			\$225,000
	ELPS	Create Learn to Swim Program				X			see 1a above
	Exec	Provide In-Kind Support to Community Organizations				X			\$10,000
	HHS	Expand Military Medic 2 Paramedic Program	X		X	X	X		\$295,000
	ITS	Increase Music License & Cable TV Fees							\$6,000

**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES (continued)**

Trustee Goal	Div	Description	Strategic Plan						Amount  Reinvest / (Savings)
			A:  Competi- tiveness & Innovation	B:  Learning	C:  Student Success	D:  Community Engagement	E:  Leadership, Culture & Communication	F:  Resource Management & Fiscal Responsibility	
<b>1c. Marketing &amp; Communications (E-106): Community Engagement (continued)</b>	SS	Join Michigan Campus Compact to expand student opportunities for leadership and scholarship	X		X	X			\$9,000
	TC	Create Law Clinic to provide additional internship opportunities		X	X	X			\$25,000
	TC	Expand Electrical Lineworker program	X		X	X	X		\$97,000
<b>2a. Student Success (E-105): Initiatives that improve retention</b>	AA	Continue Contract Programmers for migration of reports			X				\$27,000
	HHS	Expand Military Medic 2 Paramedic Program	X		X	X	X		see 1c above
	SS	Fund Apprenticeship Coach & new Work-based Learning Position	X		X	X		X	\$168,000
	SS	Expand student participation in travel & Phi-Theta Kappa, the student National Honor Society	X		X				\$13,000
	SS	Join Michigan Campus Compact to expand student opportunities for leadership and scholarship	X		X	X			see 1c above
	SS	Continue 2 temporary full-time orientation coordinators while completing student services improvements			X				(\$15,000)
	SS	Increase for Perkins related staff & non-occupational costs of service			X		X	X	\$68,000
	TC	Create Law Clinic to provide additional internship opportunities		X	X	X			see 1c above
	TC	Expand Electrical Lineworker program	X		X	X	X		see 1c above
	TC	Increase instructional supplies for Public Service -Civil Tech & GIS		X	X				\$5,000

**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES (continued)**

Trustee Goal	Div	Description	Strategic Plan						Amount
			A: Competi- tiveness & Innovation	B: Learning	C: Student Success	D: Community Engagement	E: Leadership, Culture & Communication	F: Resource Management & Fiscal Responsibility	
<b>2b. Student Success (E-105): Execute the Diversity Plan</b>	AEA	Costs of market study to develop new Diversity training program by BCI	X	X	X	X			see 1c above
	ELPS	Expand AACC Encore Plus 50 Completion Program	X	X	X	X			see 1a above
	SS	Increase for Perkins related staff & non-occupational costs of service			X		X	X	see 2a above
<b>2c. Student Success (E-105): Robust Honors College</b>	SS	Expand student participation in travel & Phi-Theta Kappa, the student National Honor Society	X		X				see 2a above
	SS	Join Michigan Campus Compact to expand student opportunities for leadership and scholarship	X		X	X			see 1c above
<b>3. Focus on Internal &amp; External Customer Service, with Staff Development &amp; Recognition</b>	AA	Add Full-Time Technician in E-Learning	X		X				\$55,000
	AS	Equipment for Emergency Management & Safety Services						X	\$33,000
	HHS	Expand Military Medic 2 Paramedic Program	X		X	X	X		see 1c above
	HR	Professional Development, including Customer Service, Leadership & Communication Training	X		X	X		X	see 1b above
	ITS	Increase ITS Division Subscriptions, Memberships, & Professional Development					X	X	\$8,000
	ITS	Mobile Device Management Software	X		X			X	\$36,000
	TC	Add student employment for Public Service & Utility & Energy Systems					X		\$4,000
	TC	Expand Electrical Lineworker program	X		X	X	X		see 1c above

**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES (continued)**

Trustee Goal	Div	Description	Strategic Plan						Amount Reinvest / (Savings)
			A: Competi- tiveness & Innovation	B: Learning	C: Student Success	D: Community Engagement	E: Leadership, Culture & Communication	F: Resource Management & Fiscal Responsibility	
4a. Quality Education (E-102): Develop & Implement the next generation of Get a Skill; Get a Job	ELPS	Launch BCI new Get a Skill Get a Job	X	X	X	X			\$36,000
4b. Quality Education (E-102): Focus on Efficiencies, remain low cost provider of quality education	AA	Addition of Full-Time Technician in E-Learning	X		X				See 3 above
	AA	Reduce reference book and instructional equipment budgets						X	(\$24,000)
	AA	Eliminate vacant PT Admin position; reduce office supplies						X	(\$18,000)
	AS	Eliminate vacant FT Support position						X	(\$44,000)
	Arts & Sci	Fund Faculty Program Chairs		X	X		X		\$34,000
	Arts & Sci	Division wide non-labor operational efficiencies						X	(\$100,000)
	Arts & Sci	Section management (including implementation of contractual seat limits)						X	(\$575,000)
	AEA	Reduce software and site licensing budget in College Wide Marketing (CWM)						X	(\$5,000)
	AEA	Reduce miscellaneous purchases in CWM						X	(\$25,000)
	AEA	Non labor operational efficiencies in CWM						X	(\$6,000)
	AEA	Reduce licensing fee budget in CWM						X	(\$10,000)
	AEA	Reduce consulting budget						X	(\$8,000)
	AEA	Reduce Federal Lobbyist budget						X	(\$4,000)
	AEA	Reduce Customer Relations Management subscriptions						X	(\$8,000)
	AEA	Reduce vacant PT support position in Public Relations						X	(\$13,000)

**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES (continued)**

Trustee Goal	Div	Description	Strategic Plan						Amount Reinvest / (Savings)
			A: Competi- tiveness & Innovation	B: Learning	C: Student Success	D: Community Engagement	E: Leadership, Culture & Communication	F: Resource Management & Fiscal Responsibility	
4b. Quality Education (E-102): Focus on Efficiencies, remain low cost provider of quality education (continued)	AEA	Efficiencies in Public Relations Department operations						X	(\$4,000)
	ELPS	Reduce BCI labor costs						X	(\$52,000)
	ELPS	Reduce Extension Centers' labor costs						X	(\$34,000)
	EXEC	Reduce Risk Management's legal fees budget						X	(\$81,000)
	EXEC	Reduce services and supplies in the President's Office						X	(\$3,000)
	HHS	Convert 2 vacant faculty positions in Child Development and Dental programs to Administrators with teaching responsibilities & program oversight						X	(\$83,000)
	HHS	Eliminate lifeguard positions (lifeguards provided by contract with site)						X	(\$12,000)
	HHS	Replace 3rd Party FT Faculty with Adjunct due to enrollment reductions						X	(\$61,000)
	HHS	Eliminate PT Administrator associated with clinical placements - continue to handle duties with FT Administrator and adjunct faculty						X	(\$11,000)
	FS	Reduce temporary help budget						X	(\$5,000)
	FS	Reduce Merchant Services and bank fee budgets						X	(\$25,000)
	FS	Reduce audit services and Admin/Management Consulting budgets						X	(\$50,000)
	ITS	Division wide non-labor operational efficiencies						X	(\$137,000)
	ITS	Rate differential from migrating of College telephone services						X	(\$77,000)
	ITS	Eliminate vacant PT Support Position						X	(\$28,000)

**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES (continued)**

Trustee Goal	Div	Description	Strategic Plan						Amount Reinvest / (Savings)
			A: Competi- tiveness & Innovation	B: Learning	C: Student Success	D: Community Engagement	E: Leadership, Culture & Communication	F: Resource Management & Fiscal Responsibility	
4b. Quality Education (E-102): Focus on Efficiencies, remain low cost provider of quality education (continued)	SS	Continue two temporary full-time orientation coordinators while completing student services improvements			X				see 2a above
	SS	Create 6 FT Faculty Academic Advisor positions; reduce PT Faculty Academic Advising pool						X	(\$102,000)
	SS	Convert 2 PT Administrators in Recruiting to 1 FT Recruiter						X	(\$19,000)
	SS	Grant funding for KCP grant & incorporation of faculty role in leadership program						X	(\$7,000)
	SS	Division wide non-labor operational efficiencies						X	(\$19,000)
	SS	Efficiencies & streamlining of library databases & print subscriptions						X	(\$27,000)
	SS	Implement Coaches as PT Teaching Administrators, changing payment method						X	(\$11,000)
	SS	Eliminate pilot Typewell PT support position						X	(\$12,000)
	SS	Transfer portion of labor costs to grant						X	(\$4,000)
	SS	Reduce Overtime budget in Financial Aid						X	(\$4,000)
	TC	Eliminate PT faculty budget for previously discontinued program						X	(\$77,000)
	TC	Eliminate vacant PT Support position						X	(\$12,000)
	TC	Replace contracted instructors in Heavy Equipment Repair program with PT Faculty to comply with Higher Learning Commission standards						X	(\$32,000)
	TC	Reduce rate of pay for contracted instructors						X	(\$3,000)



**Budget and Strategic Planning Decisions - FY2014**  
**FINANCIAL IMPROVEMENT INITIATIVES (continued)**

Trustee Goal	Div	Description	Strategic Plan						Amount  Reinvest / (Savings)
			A:  Competi- tiveness & Innovation	B:  Learning	C:  Student Success	D:  Community Engagement	E:  Leadership, Culture & Communication	F:  Resource Management & Fiscal Responsibility	
4b. Quality Education (E-102): Focus on Efficiencies, remain low cost provider of quality education (continued)	TC	Replace FT faculty with adjunct for EISD program						X	(\$204,000)
5. Asset Protection (EL-204): A. Excellent audit results	AS	Add funding for Repairs & Maintenance of College Fleet						X	\$85,000
	EXEC	Increase Insurance Premiums						X	\$28,000
	EXEC	Records Retention Program						X	\$31,000
	HHS	Transfer Nursing Support Position from Grant Funding to General Fund						X	\$28,000
	ITS	Mobile Device Management Software	X		X			X	see 3 above
	ITS	Data Loss/Identity Theft Prevention Program for Mobile Devices						X	\$54,000
	ITS	Increase Music License & Cable TV Fees							see 1c above
	SS	Increase for Perkins related staff & non-occupational costs of service							see 2a above
<b>Net Impact of Approved Savings Recommendations and Reinvestment Proposals</b>									<b>(\$220,000)</b>

# **CAMPUS MASTER PLAN SUMMARY**

**Lansing Community College**  
**Campus Master Plan**  
**Presented to the Board of Trustees October 15, 2012**

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**Campus Master Plan Executive Summary**

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 Master Plan, the Instructional Master Plan, the Campus Beautification Plan and the Information Technology Master Plan. All plans speak to continuous improvement.

Lansing Community College is the third largest community college in the State of Michigan. In the ten years between 2001 and 2010, LCC's fiscal year equated students (FYES) enrollment climbed more than 28%, nearly double the increase in the State's aggregate community college enrollment over the same period; however, beginning in 2011, LCC began to experience a decline in enrollment. Based in downtown Lansing, Michigan, the College serves nearly 30,000 students each year at 27 locations, including its main campus.

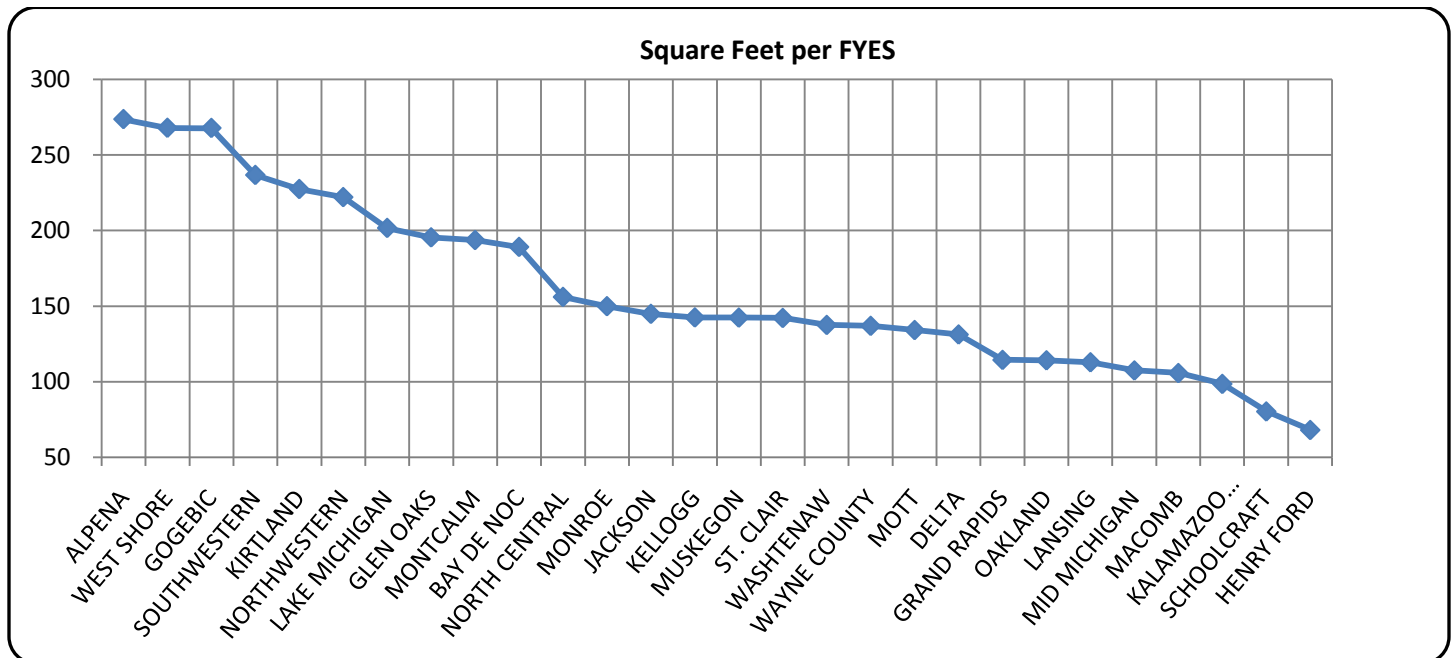
**Facilities Assessment Summary**

Lansing Community College updates the facilities assessment 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 the next 5 years.

LCC celebrated its 50<sup>th</sup> year in 2007. Of the 22 College-owned buildings, five are older than the college itself; these buildings were adapted for College use when downtown Lansing was chosen as a site. The average age of all the buildings is 44.8 years, presenting an ongoing challenge to the College's Physical Plant personnel to properly maintain. Funding for this work is established in the plant fund with a \$3,075,000 annual transfer from the general fund. The *Build Forward* project relieves some pressure on the College's architectural, electrical, envelope, mechanical and site repair funding needs. The schedule listed below showed 4.5 million more in those categories for FY14 at the end of FY12. There is a detailed schedule, by building, included in the Campus Master Plan.

Facilities Assessment Summary					
Facility Category	FY2014	FY2015	FY2016	FY2017	FY2018
Architectural	\$674,500	\$483,500	\$763,000	\$1,137,000	\$1,171,000
Electrical	\$291,500	\$644,000	\$163,500	\$200,000	\$495,500
Envelope	\$965,000	\$262,500	\$596,000	\$843,500	\$386,000
Maintenance	\$202,100	\$263,700	\$147,900	\$159,000	\$150,000
Mechanical	\$75,000	\$45,000	\$45,000	\$45,000	\$45,000
Other	\$465,500	\$424,500	\$781,000	\$240,000	\$329,500
Roof Repair/Replace	\$313,000	\$775,000	\$523,000	\$332,500	\$383,000
Site Repairs	\$113,500	\$213,000	\$81,500	\$143,500	\$140,000
<b>Grand Total</b>	<b>\$3,100,100</b>	<b>\$3,111,200</b>	<b>\$3,100,900</b>	<b>\$3,100,500</b>	<b>\$3,100,000</b>

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 27 other community colleges. In 1997, the College ranked last at 96 square feet per FYES. Today, Lansing Community College ranks 23rd in square feet per FYES (see chart below). While classroom utilization rates can be as high as 100% for some buildings, the overall classroom utilization rates, including weekends, is 81%.



### ***Build Forward Program***

In July 2012, the LCC Board of Trustees approved \$67 million for a forward-thinking set of renovation projects that will transform teaching and learning on the campus for the next several decades. It is a sweeping vision grounded in the practical needs of LCC students – one that will enable them to pursue their educational and professional goals in settings that have been purposefully designed to help them perform at their best and to succeed. The change brought on by these projects will fundamentally change the student experience by creating a variety of dynamic and adaptable teaching, learning, and support environments. The projects use research-based design principles that prioritize student engagement, achievement, and wellbeing and include:

- Dynamic and adaptable learning spaces
- Technology-rich learning spaces and infrastructure
- Student-centered commons areas that encourage learning beyond the classroom
- Inviting environments for attracting and retaining students and enhancing campus community connections

The Build Forward program includes capital improvements to renovate existing classrooms and buildings, acquire real property, make improvements to campus grounds, make improvements to IT infrastructure, meet technology needs, and

implement IT business continuity planning. LCC chose to renovate an existing building instead of constructing a new building, saving some 50 percent in construction costs. For more information on project financing, see Funding section, page 75.

Projects include:

**Arts & Sciences Building renovation** – Work is already underway to transform the 40-year-old building into a 21st century student-centered learning facility with more science classrooms, general education classrooms, and chemistry and biology labs. Cost: \$31 million (Includes \$9.975 million from a State of Michigan Capital Outlay appropriation)

**Gannon Building renovation** – The project will create open, inviting spaces for students that connect them with the resources and support they need to achieve their learning goals. It includes creating a one-stop student services center that brings together admissions, enrollment, registration, academic advising and counseling. Structural updates will be made to replace a leaking glass wall/roofing system and inefficient heating and cooling systems, among other things. Cost: \$18.3 million

**Campus improvements** – This project includes acquisition and improvements of Parking Lot #2 (previously owned by the City of Lansing) and the corner of Capitol Avenue and Saginaw Street, which will be transformed into an attractive, park-like entry to the college and downtown. Cost: \$5.4 million

**Mackinaw Building, West Campus and Mason-Jewett Airport renovations** – Another project already underway, this involves increasing and enlarging classrooms in the Mackinaw Building for The Early College and High School Diploma Completion Initiative; expanding facilities for teaching Computer Information Technology and Commercial Heating, Ventilating and Air Conditioning at West Campus; and completing the upgrade and expansion of the Aviation Maintenance program at the Mason Jewett Airport facility. Cost: \$5.3 million

**New ID card system** – Funding will be provided for the conversion of the outdated Star Card and the Higher One card into a single card with enhanced security, identification, and financial aid and overpayment refund capability. Cost: \$1.5 million

**Health and Human Services completion** – The third floor of the building was not completed during the initial construction. This project includes the design and construction of unfinished, unoccupied space to provide much-needed conference and collaboration space. Cost: \$1.2 million

**Expansion of Welding and Building Construction labs at West Campus** – Current demand and projected program growth require renovations and the expansion of laboratory space for these two programs, which this project will deliver. Cost: \$1.1 million

**Improvements to the Library learning environment and technology** – The project addresses needs in the library learning environment and the desire to create dynamic spaces that facilitate teaching, learning, and the use of technology resources. Cost: \$500,000

**Herrmann House renovation** – This project includes necessary renovations for the continued use of the building. This includes removal of hazardous materials and updating mechanical, electrical, plumbing and structural systems to comply with current building and safety codes and to meet historical designation requirements. Project costs were adjusted after early work on the project revealed significant termite damage and other structural problems. Cost: \$300,000

Together, these projects position LCC as a national leader in community college education, linking best practices in teaching and learning to the needs of Michigan employers and the expectations of baccalaureate-granting colleges and universities.

### **Funding for *Build Forward***

The \$67 million *Build Forward* program is financed through \$10 million in capital outlay funds from the state, \$1.3 from LCC Foundation capital funds, college designated funds of \$11.4 million, and \$44.3 million from a bond issuance. With LCC on strong financial footing, underscored by Standard & Poor's recent affirmation of the college's AA bond rating and interest rates at historic lows, a bond issuance is favorable. The project will not put additional burden on the College's operating budget because the capital and debt service commitment will not exceed the amount the college has spent over the last three years. LCC remains one of the most affordable community colleges in the state and one of the best educational values in the region.

The projects also benefit the community by creating nearly 900 construction jobs with an economic impact between \$360 and \$490 million. Expenses by type are shown below:

Expense Type	Amount
Design	5,143,000
Construction	40,720,000
Equipment and Technology	11,032,000
Real Estate Acquisition	3,310,000
Contingency	6,795,000
<b>Total</b>	<b>67,000,000</b>

The bottom line: the college will be investing \$60 million in transformative renovations and improvements at no additional cost to its budget.

### **Current Debt Obligation**

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

FY2012 the College's outstanding debt obligations stood at \$51,912,000. The taxable valuation stood at \$10,068,843,104. Lansing Community College is far below its statutory debt capacity, and has no problem meeting its debt obligations.

### Lansing Community College Debt Amortization Schedule

	Bonds		Siemens Contract		
Year	Principal	Interest	Principal	Interest	Totals
FY14	4,710,000	3,740,026	292,373	9,457	8,751,856
FY15	5,135,000	3,520,797	99,849	761	8,756,407
FY16	5,215,000	3,365,970	-	-	8,580,970
FY17	5,965,000	3,124,520	-	-	9,089,520
FY18	3,730,000	2,766,508	-	-	6,496,508
FY19	3,905,000	2,594,808	-	-	6,499,808
FY20	4,055,000	2,440,170	-	-	6,495,170
FY21	3,275,000	2,252,294	-	-	5,527,294
FY22	3,380,000	2,121,530	-	-	5,501,530
FY23	3,535,000	1,967,468	-	-	5,502,468
FY24	3,700,000	1,805,626	-	-	5,505,626
FY25	3,865,000	1,635,802	-	-	5,500,802
FY26	4,045,000	1,458,026	-	-	5,503,026
FY27	4,185,000	1,317,100	-	-	5,502,100
FY28	4,355,000	1,149,700	-	-	5,504,700
FY29	4,525,000	975,500	-	-	5,500,500
FY30	4,755,000	749,250	-	-	5,504,250
FY31	4,990,000	511,500	-	-	5,501,500
FY32	5,240,000	262,000	-	-	5,502,000
<b>Totals</b>	<b>\$82,565,000</b>	<b>\$37,758,595</b>	<b>\$392,222</b>	<b>\$10,218</b>	<b>\$120,726,035</b>

### Bond Debt

The College sold bonds in three phases from 2002 to 2005 to complete construction plans outlined in November 2000. Two subsequent bond sales, in April 2003 and in March of 2005, included refinancing of a portion of bonds sold in 1994, and the February 2002 bond sale. Favorable bond and construction markets prompted LCC to re-fund portions of current bond debt related to the 2003 and 2005 bond issuance with the 2012 bond issuance for the *Build Forward* projects. The chart below shows the change in Bond Debt:

<b>Bond Sale</b>	<b>Principal as of 30-Jun-12</b>	<b>Scheduled Last Payment Year</b>	<b>Principal as of 30-Jun-13</b>
2003	\$11,395,000	2022	\$0
2005	\$20,900,000	2022	\$15,435,000
2006	\$8,870,000	2026	\$8,485,000
2007	\$8,700,000	2026	\$8,425,000
2012	\$0	2042	\$50,220,000
<b>Total</b>	<b>\$49,865,000</b>		<b>\$82,565,000</b>

The College has an excellent bond rating, with insured rates of AA (S & P), and Aa2 (Moody's) for the 2012 College Bonds.



# **BUDGET PLANNING AND FINANCIAL POLICIES**

## **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 pages 86-87). 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 Financial 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**

### **Governance Ends Policies**

Ends policies set Board adopted policies that include the College's Mission, Vision, Motto, and other policies that help guide the budget planning and development process. They are as follows:

#### **E-102 Quality of Education**

- Students will succeed at accomplishing their own goals, including readiness for higher education
- Students will be employable
- Students will become responsible citizens, capable, upon graduation, of demonstrating competency in the following areas:
  1. Literacy – reading, writing, speaking, and computational
  2. Understanding of governance, political institutions, government policy
  3. Technological/computer literacy
  4. Critical/analytical reasoning skills
  5. Cooperative problem solving and team skills

#### **E-103 Community Impact**

As a result of the work of Lansing Community College:

- The college will be a visible and recognized contributor to area and regional problem solving
- Area business training and worker preparation needs are satisfied
- Vibrant cultural opportunities will be present in the community
- LCC will be a model for community organizations attempting to build their adaptive capacity to stay on the cutting edge

#### **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

**Budgeting and Forecasting**

Budgeting for any fiscal year or the remaining part of any fiscal period shall not deviate materially from Board Governance 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 not 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 Governance 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:

**Sep:** 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; receive preliminary information on strategic initiatives, revenues and expenditures 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

**Jun:** 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

### **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.

## **FY2014 BUDGET ESTABLISHMENT BUDGET TIMELINE**

1/28/13	FY14 Budget Development Process, Goals and Objectives, Savings Recommendations and Reinvestment Proposal forms and instructions presented to ELT
2/5/13	FY14 baseline completed and distributed
2/7/13	Budget Office staff will conduct FY14 Budget Process Rollout meeting for all administrative budget managers
2/18/13	Budget Office will provide process for College-wide budget suggestion input
3/18/13	Adoption of Strategic Plan by Board of Trustees
3/29/13	FY14 Divisional Savings Recommendations due to Chief Financial Officer (CFO) FY14 Divisional Renovation Requests due to Administrative Services
4/8/13	FY14 Major Equipment Requests due to Senior Vice Presidents for prioritization
4/19/13	FY14 Reinvestment Proposals due to CFO
4/25/13	3-Year Technology Replacement, Media Maintenance and Replacement, Division Renovation and Major Equipment plans due to CFO
6/4/13	Present FY14 Budget Proposal at Board workshop
6/17/13	Present FY14 Budget Proposal for approval at Board Meeting

### **Guidelines for Development of Budget Recommendations for Consideration**

1. Begin with the FY13 baseline. A baseline was prepared with the following assumptions:
  - a. For enrollment planning purposes, enrollment decline is assumed to be at an annualized rate of 7.5%
  - b. No increase in authorized FTEs
  - c. Anticipated contractual increases are held in one line item; salaries & wages in worksheets are in FY13 dollars
  - d. 1.4% increase in state appropriations
  - e. 2.0% decline in property taxes

- f. No inflationary growth in supplies & services, nor in General Fund Capital Budget Transfers
  - g. Contingency Funds will equal 1 %
- 2. All Divisions must present, for institutional prioritization, a plan to cut 5% savings from the baseline. Reductions are not expected to be across-the-board and all reduction proposals may not be incorporated into the Budget Proposal
- 3. Reinvestment proposals will be considered only after savings have been identified. All costs and program service impacts associated with new initiatives must be included in the submission. They must support the Strategic Plan and the Board of Trustees Governance Policies. Examples of reinvestments 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
- 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. Decisions resulting from the Academic Program Analysis may be incorporated into the FY14 Budget Recommendation to the Board

# **FY14 BUDGET EXECUTIVE SUMMARY, DETAIL AND FINANCIAL INFORMATION**

## **LANSING COMMUNITY COLLEGE**

### **Fiscal Year 2014 Proposed Budget**

**Revenues** - Total revenues are projected to exceed \$123 million.

State Appropriations – The State’s FY14 appropriation to Lansing Community College is increased by formula by \$529,000 or 1.8%.

Property Taxes – For FY14, general property tax revenue is estimated to decrease by 2.0%. The College has included a conservative assumption for uncollectible property taxes in both FY13 and FY14. This decrease of 2% compares to a decrease of 3.9% in FY13 and 3.5 % in FY12. The College’s millage rate will remain at 3.8072 mills.

Tuition and Fees – The budget of \$53,821,000 in tuition and fees assumes decreases in enrollment of 7.5% from FY13 Budget Amendment #2 and an increase in tuition rates for in-district, out-of-district, out-of-state and international students of \$2, \$4, \$6 and \$7, respectively. Course fee increases, including those related to Program Analysis, have been previously approved by the Board. In addition, a new \$1 per billable hour Technology Fee is included in the proposed budget. Proceeds from this fee will be transferred to a separate fund for designated technology purchases.

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

Uncollectable tuition in FY14 is projected at 1.1% compared to 2.4% in FY13, 2.4% in FY11, 2.6% in FY10, and 2.6% in FY09. This is included as an offset to Tuition and Fee Revenue.

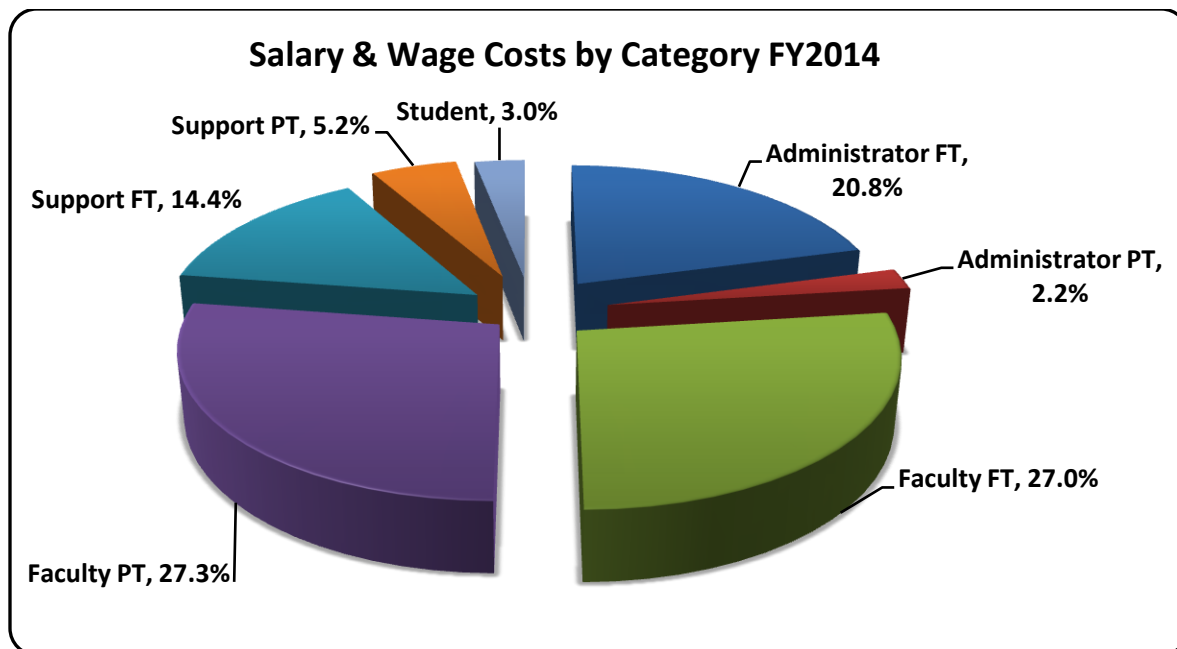
Other Revenues – Other revenues include contracted training (non-credit) from the Business and Community Institute (BCI), the College’s contracts with the Eaton Intermediate School District (EISD) and the Clinton County Regional Educational Services Agency (CCRESA), interest income, University Center 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 3.3% increase in Other Revenue for FY14.

## Summary of Fiscal Year 2014 General Fund Revenues

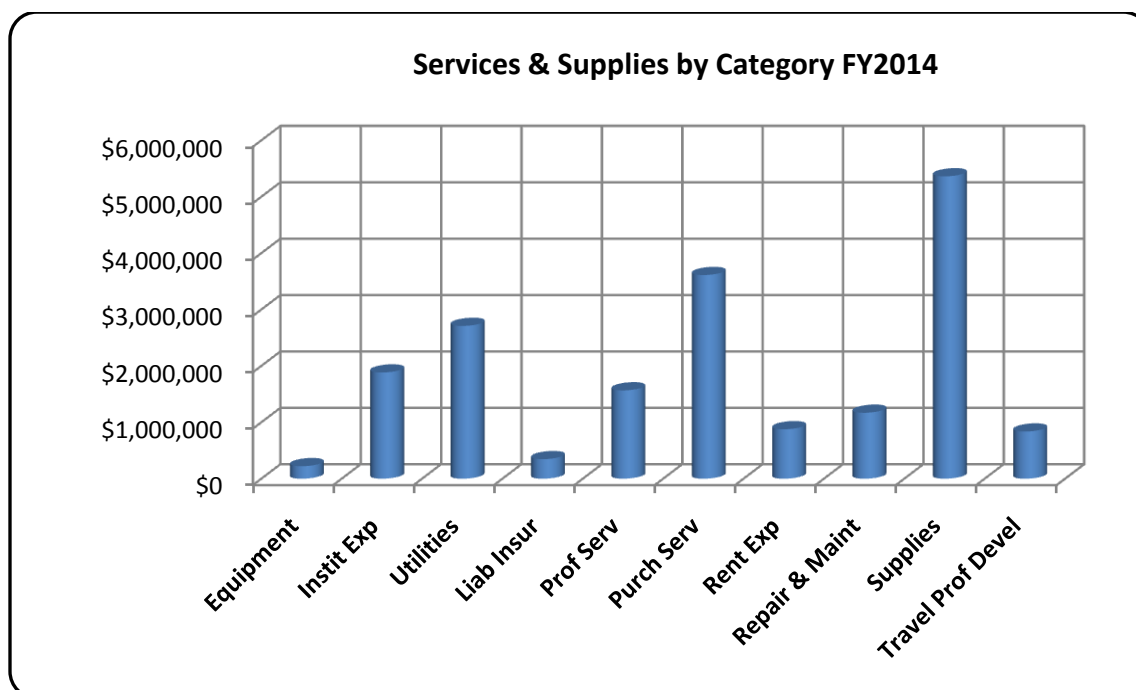
<b>General Fund Revenues</b>					
<b>Total Revenues</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Budget as Amended</b>	<b>2014 Proposed</b>	<b>Percent change 2013 to 2014</b>
State Appropriations	\$ 29,763,000	\$ 28,652,000	\$ 29,639,000	\$ 30,168,000	+1.8%
Property Taxes	\$ 40,360,000	\$ 38,544,000	\$ 37,158,000	\$ 36,415,000	-2.0%
Tuition and Fees	\$ 57,446,000	\$ 56,812,000	\$ 55,349,000	\$ 53,821,000	-2.8%
Other Revenue	\$ 3,155,000	\$ 2,863,000	\$ 2,740,000	\$ 2,830,000	+3.3%
Total	\$130,724,000	\$126,871,000	\$124,886,000	\$ 123,234,000	-1.3%

### **Operating Budgets**

**Salaries, Wages, and Benefits** – Salaries and benefits will comprise 68.0% of all general fund expenditures in FY14. This is compared to 67.2% in the FY13 amended budget. The College's contribution to the Michigan Public School Employees Retirement System (MPSERS) is calculated at a weighted average of 25.30% of salaries and wages. This is a blended rate based upon detailed analysis of individual employee MPSERS pension/health insurance elections in February 2013, the MPSERS rates in effect on July 1, 2013, and new MPSERS rates to be effective October 1, 2013. Only those full-time administrators and faculty who have chosen the College's optional retirement program (ORP) do not participate in MPSERS. The College pays 12% of salaries for those individuals selecting the ORP. Health care costs have decreased due to the implementation of PA152 for all collectively bargained employees and the agreement reached by the Health Care Task Force negotiations. Other benefit costs include dental and vision group insurance, Social Security and Medicare payroll taxes, tuition benefits, life and disability insurance, and workers' and unemployment compensation.



Services and Supplies – Services and supplies are decreased 2.8% from FY13 amended budget. This includes the projected reinvestment proposals and savings recommendations



Student Services Visioning – The FY14 budget is \$500,000, the same as in the most recent FY13 budget amendment.

Institutional Scholarships – The FY14 budget is \$1,231,000, the same as in the most recent FY13 budget amendment. The institutional scholarship budget provides for Board of Trustees, honors, departmental, and athletic scholarships.

Child Care Scholarships - It is anticipated that \$254,000 will be sufficient for FY14. This is the same level as FY13.

Contingency – The proposed Contingency budget for FY14 is \$716,000 or 0.58% of the proposed revenues. This is below the level prescribed in the Board of Trustees policy of 1%.

### **Transfers and Capital Budgets**

Grant Match – The FY14 budget is \$1,238,000, a decrease of \$53,000 from FY13. This is due to the completion of certain external grants that do not carry over to FY14

Major Equipment - The FY14 budget is \$1,135,000, the same as in FY13

Debt Service - \$8,752,000 is budgeted for principal and interest payments on existing debt

Plant Improvement – The FY14 budget is proposed at the same level as FY13, for a total of \$3,075,000. The College currently owns and maintains approximately 1.9 million square feet of space

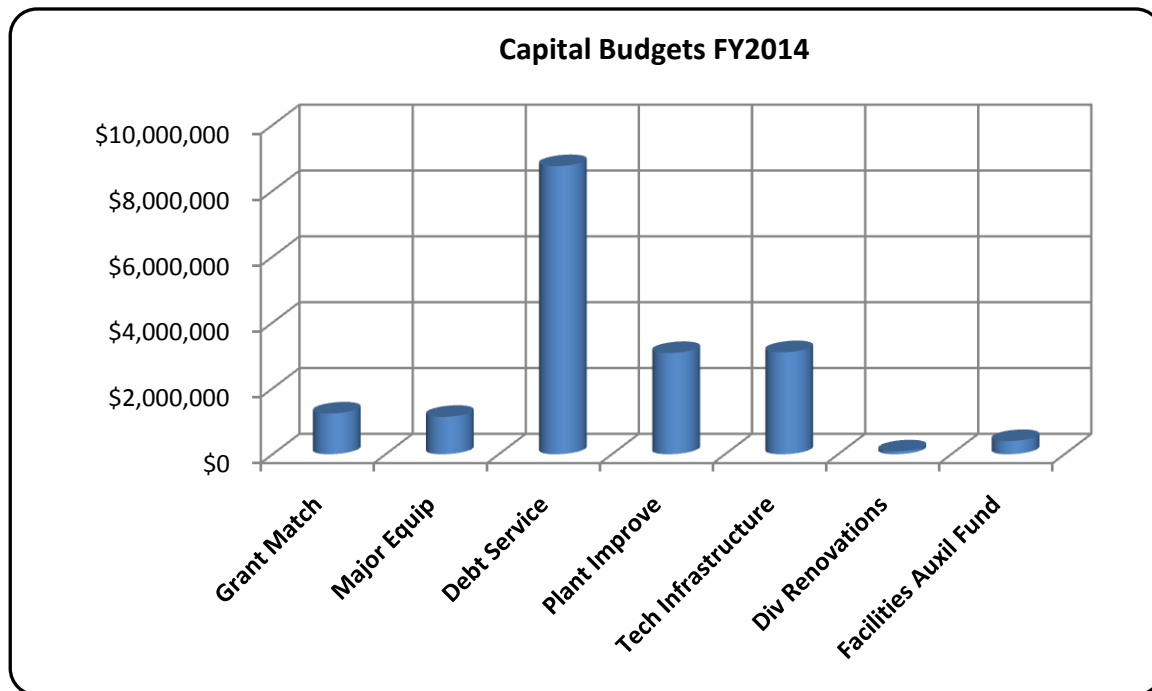
Technology Infrastructure – The FY14 budget is proposed at \$3,100,000, the same level as FY13

Technology Fee – The FY14 budget is \$385,000, the estimated proceeds from this new fee

Division Renovations – The FY14 budget maintains this budget at the FY13 level of \$87,000.

Facilities - Auxiliary Fund – The FY14 budget is proposed at the same level as FY13, for a total of \$400,000

Capital Projects – The FY14 budget does not contain funding for specific capital projects as funding for projects approved by the Board of Trustees has been included in the August 2012 bond issue



### **Tuition Increase Considerations**

The College's proposed in-district tuition rate of \$83 is well below the proposed state-wide average. The "MCCBOA Tuition Increase Survey – Spring 2013" shows current and projected tuition for Fall 2013 for the state's 28 community colleges, including LCC's proposed tuition rates (see page 116).

The following table shows a comparison of tuition to state averages (assuming proposed increases for FY14).

Tuition Rate Comparison			
	LCC Current	LCC Proposed	State Average Projected FY2014
In-District	\$81	\$83	\$94
Out-of-District	\$162	\$166	\$155
Out-of-State	\$243	\$249	\$212
International	\$284	\$291	DNA*

\*Data Not Available

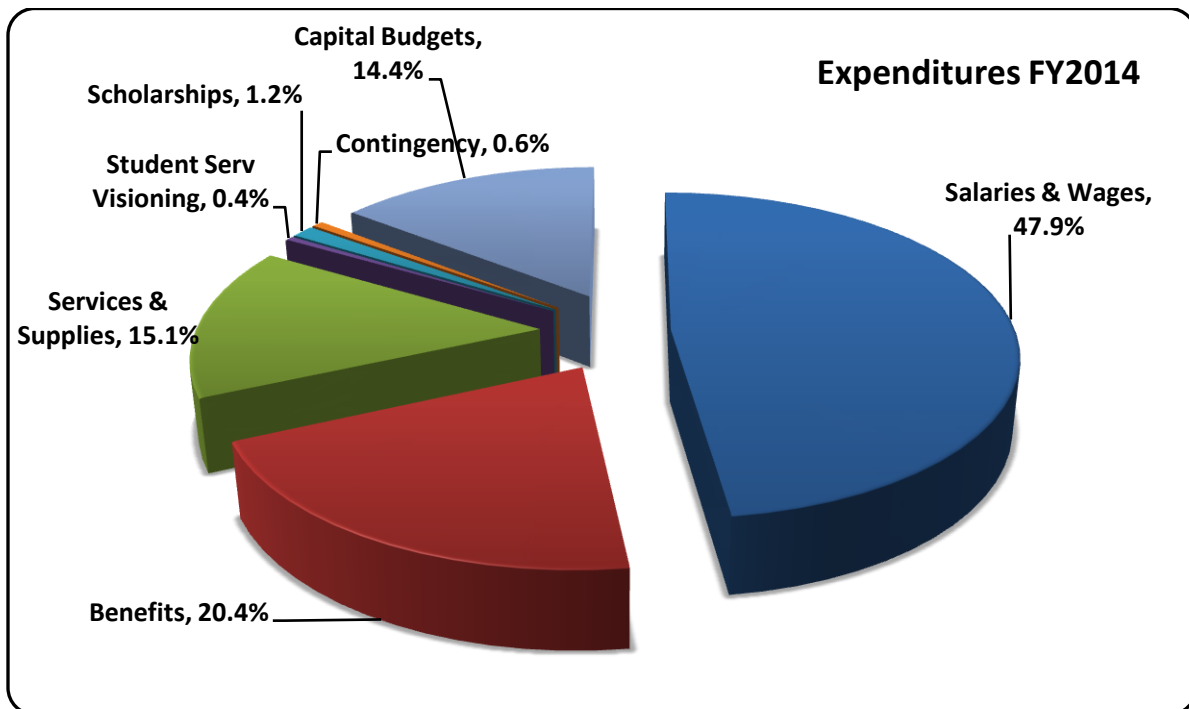
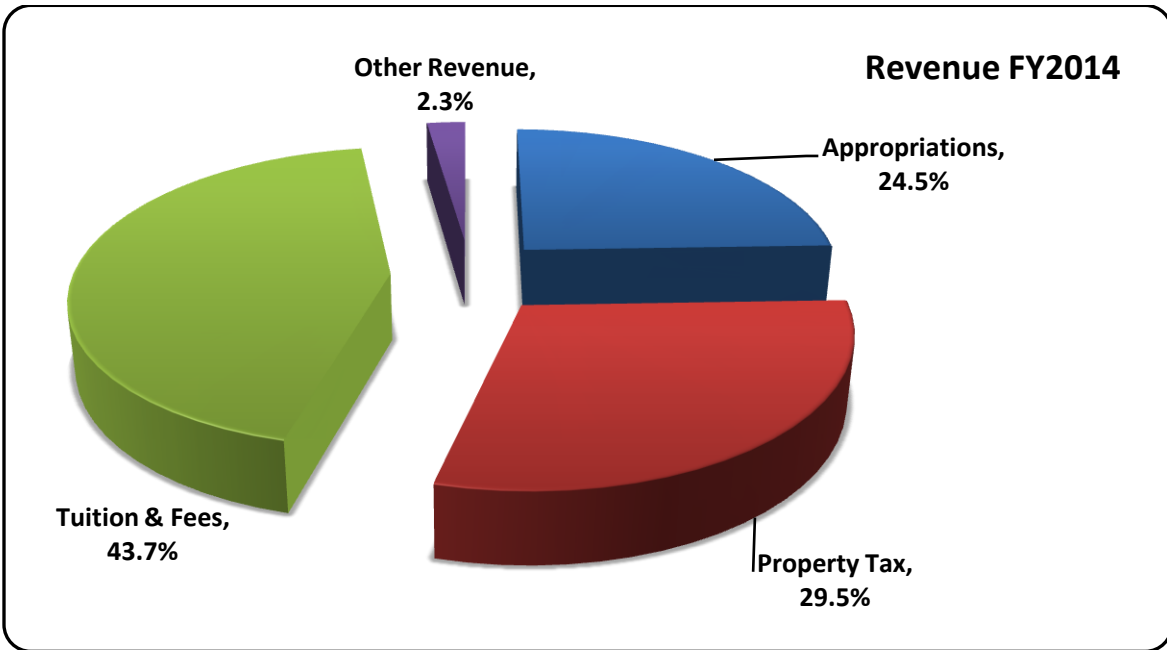


**LANSING COMMUNITY COLLEGE**  
**Operating and Capital Budgets**  
**Proposed Budget Fiscal Year 2014**

	<u>Total Proposed FY2014 Budget</u>	
<b><u>Revenues</u></b>		
State Appropriations	\$30,168,000	
Property Taxes	\$36,415,000	
Tuition & Fees	\$53,821,000	
Other Revenues	<u>\$2,830,000</u>	
Total Revenues		\$123,234,000
<b><u>Operating Budgets</u></b>		
Salaries & Wages	\$59,044,990	
Employee Benefits	<u>\$25,117,010</u>	
Total Salaries & Benefits		\$84,162,000
Services & Supplies	\$18,584,000	
Student Services Visioning	\$500,000	
General Institutional Scholarships	\$1,231,000	
Child Care Scholarships	<u>\$254,000</u>	
Total Operating Budgets		\$104,731,000
Contingency		\$716,000
<b><u>Capital Budgets</u></b>		
Grant Match	\$1,238,000	
Major Equipment	\$1,135,000	
Debt Service, all Issues	\$8,752,000	
Plant Improvement	\$3,075,000	
Technology Infrastructure	\$2,715,000	
Technology Fee	385,000	
Division Renovations	\$87,000	
Facilities - Auxiliary Fund	<u>\$400,000</u>	
Total Capital Budgets		<u>\$17,787,000</u>
<b>Total Allocation / Expenditures</b>		<b>\$123,234,000</b>
<b>Total Change in Undesignated Net Assets</b>		<b>\$0</b>
<b>Undesignated General Fund - Beginning of Year</b>		<b>\$19,280,512</b>
<b>Undesignated General Fund - End of Year</b>		<b>\$19,280,512</b>

# LANSGING COMMUNITY COLLEGE MAJOR SOURCES OF REVENUES AND EXPENDITURES

Proposed Budget  
Fiscal Year 2014



# LANSING COMMUNITY COLLEGE

## Comparison of Proposed FY2014 Budget to FY2013 and FY2012

	FY2012 Actual	FY2013 Estimated	Change from FY2013	FY2014 Proposed	Percent Change
<b><u>Revenues</u></b>					
State Appropriations	\$28,651,900	\$29,638,900	\$529,100	\$30,168,000	1.8%
Property Taxes	\$38,543,630	\$37,158,000	(\$743,000)	\$36,415,000	-2.0%
Tuition & Fees	\$56,812,166	\$55,349,000	(\$1,528,000)	\$53,821,000	-2.8%
Other Revenues	\$2,862,783	\$2,740,000	\$90,000	\$2,830,000	3.3%
Total Revenues	\$126,870,479	\$124,885,900	(\$1,651,900)	\$123,234,000	-1.3%
<b><u>Operating Budgets</u></b>					
Salaries & Wages	\$61,277,546	\$58,845,870	\$199,120	\$59,044,990	0.3%
Employee Benefits	\$25,714,748	\$25,047,340	\$69,670	\$25,117,010	0.3%
Total Salaries + Benefits	\$86,992,294	\$83,893,210	\$268,790	\$84,162,000	0.3%
Services & Supplies	\$18,035,316	\$19,113,803	(\$529,803)	\$18,584,000	-2.8%
Student Services Visioning	\$0	\$500,000	\$0	\$500,000	0.0%
General Institutional Scholarships	\$1,500,712	\$1,231,000	\$0	\$1,231,000	0.0%
Child Care Scholarship	\$208,434	\$254,200	(\$200)	\$254,000	-0.1%
Total Operating Budgets	\$106,736,756	\$104,992,213	(\$261,213)	\$104,731,000	-0.2%
Contingency	\$0	\$1,956,223	(\$718,223)	\$716,000	-36.7%
Negotiations Contingency	\$0	\$0	\$0	\$0	0.0%
Total	\$0	\$1,956,223	(\$718,223)	\$716,000	-36.7%
<b><u>Capital Budgets</u></b>					
Grant Match	\$1,353,075	\$1,291,333	(\$53,333)	\$1,238,000	-4.1%
Major Equipment	\$1,134,500	\$1,134,500	\$500	\$1,135,000	0.0%
Debt Service, all Issues	\$7,642,446	\$8,751,466	\$534	\$8,752,000	0.0%
Plant Improvement	\$3,075,000	\$3,075,000	\$0	\$3,075,000	0.0%
Technology Infrastructure	\$3,250,000	\$3,100,000	(\$385,000)	\$2,715,000	-12.4%
Technology Infrastructure	\$0	\$0	\$385,000	\$385,000	N/A
Division Renovations	\$87,125	\$87,125	(\$125)	\$87,000	-0.1%
Facilities-Auxiliary Fund	\$400,000	\$400,000	\$0	\$400,000	0.0%
Plant Fund - Chargeback to be Capitalized	(\$47,489)	\$0	\$0	\$0	0.0%
Capital Projects	\$2,307,782	\$98,040	(\$98,040)	\$0	-100.0%
Total Capital Budgets	\$19,202,439	\$17,937,464	(\$150,464)	\$17,787,000	-0.8%
<b>Total Revenues</b>	\$126,870,479	\$124,885,900	(\$1,651,900)	\$123,234,000	-1.3%
<b>Total Allocation/Expenditures</b>	\$125,939,195	\$124,885,900	(\$1,129,900)	\$123,234,000	-0.9%
<b>Change in Net Assets</b>	\$931,284	\$0	(\$522,000)	\$0	0.0%
Use of Desig Funds - change in encumb	\$349,918	\$0	\$0	\$0	0.0%
<b>Total change in undesignated net assets</b>	\$1,281,202	\$0	(\$522,000)	\$0	0.0%
Undesignated General Fund Beg of Year	\$17,999,311	\$19,280,513	\$0	\$19,280,513	
<b>Undesignated General Fund End of Year</b>	\$19,280,513	\$19,280,513	(\$522,000)	\$19,280,513	
<b>Undesignated Gen. Fund Target (10% Exp)</b>	<b>\$12,593,920</b>	<b>\$12,488,590</b>	<b>(\$112,990)</b>	<b>\$12,323,400</b>	

## Comparison of Proposed FY2014 Budget to FY2013 and FY2012 (continued) Operating Budgets

	FY2012 Actual	FY2013 Estimated	Change from FY2013	FY2014 Proposed	Percent Change
<b><i>Operating Budgets - Divisions</i></b>					
Academic Affairs	\$2,096,528	\$2,014,675	\$1,099,540	\$3,114,215	54.6%
Administrative Services	\$10,823,965	\$10,316,656	(\$115,314)	\$10,201,342	-1.1%
Advancement & External Affairs	\$2,582,557	\$2,863,230	\$121,770	\$2,985,000	4.3%
Arts & Science	\$31,670,336	\$31,177,891	(\$2,375,878)	\$28,802,013	-7.6%
Board of Trustees	\$215,992	\$250,204	(\$1,100)	\$249,104	-0.4%
Executive Offices	\$3,735,710	\$2,939,111	(\$156,735)	\$2,782,376	-5.3%
Extended Learning & Professional Studies	\$4,520,197	\$4,903,915	\$481,134	\$5,385,049	9.8%
Financial Services	\$3,385,726	\$3,495,644	\$464,332	\$3,959,976	13.3%
Health & Human Services	\$11,880,282	\$11,783,988	\$173,128	\$11,957,116	1.5%
Human Resources	\$1,375,375	\$1,546,772	\$245,250	\$1,792,022	15.9%
Information Technology Services	\$8,599,185	\$9,130,264	\$64,555	\$9,194,819	0.7%
Student Services	\$12,711,068	\$12,683,368	(\$6,514)	\$12,676,854	-0.1%
Technical Careers	\$11,430,689	\$9,901,295	(\$255,181)	\$9,646,114	-2.6%
Total all Divisions	\$105,027,610	\$103,007,013	(\$261,013)	\$102,746,000	-0.3%
<b><i>Operating Budgets - Account</i></b>					
Administrator Full Time	\$11,308,297	\$11,364,880	\$919,620	\$12,284,500	8.1%
Administrator Part Time	\$1,335,117	\$1,373,330	(\$45,730)	\$1,327,600	-3.3%
Faculty Full Time	\$15,868,608	\$15,398,370	\$533,580	\$15,931,950	3.5%
Faculty Part Time	\$19,584,811	\$17,602,230	(\$1,479,840)	\$16,122,390	-8.4%
Support Full Time	\$8,589,683	\$8,422,680	\$75,230	\$8,497,910	0.9%
Support Part Time	\$2,963,804	\$2,963,780	\$121,370	\$3,085,150	4.1%
Student	\$1,627,226	\$1,720,600	\$74,890	\$1,795,490	4.4%
Total Salaries and Wages	\$61,277,546	\$58,845,870	\$199,120	\$59,044,990	0.3%
Employee Benefits	\$25,714,748	\$25,047,340	\$69,670	\$25,117,010	0.3%
Non Capital Equipment	\$204,460	\$293,585	(\$71,788)	\$221,797	-24.5%
Institutional Expenses	\$1,930,983	\$2,034,732	(\$151,132)	\$1,883,600	-7.4%
Utilities	\$2,845,586	\$2,787,220	(\$77,682)	\$2,709,538	-2.8%
Liability Insurance	\$413,040	\$318,290	\$28,108	\$346,398	8.8%
Professional Services	\$1,452,583	\$1,611,020	(\$44,744)	\$1,566,276	-2.8%
Purchased Services	\$3,828,510	\$3,699,552	(\$87,908)	\$3,611,644	-2.4%
Rental Expense	\$631,373	\$739,716	\$136,870	\$876,586	18.5%
Repair and Maintenance	\$1,146,585	\$1,182,244	(\$12,703)	\$1,169,541	-1.1%
Supplies	\$4,819,164	\$5,645,743	(\$283,437)	\$5,362,306	-5.0%
Travel, Training and Conferences	\$763,032	\$801,701	\$34,613	\$836,314	4.3%
Total Services and Supplies	\$18,035,316	\$19,113,803	(\$529,803)	\$18,584,000	-2.8%
Total Division Operating	\$105,027,610	\$103,007,013	(\$261,013)	\$102,746,000	-0.3%
General Institutional Scholarships	\$1,500,712	\$1,231,000	\$0	\$1,231,000	0.0%
Childcare Scholarships	\$208,434	\$254,200	(\$200)	\$254,000	-0.1%
Student Services Visioning	\$0	\$500,000	\$0	\$500,000	0.0%
Total College Operating	\$106,736,756	\$104,992,213	(\$261,213)	\$104,731,000	-0.2%

## Summary Table of Budgeted Fulltime Positions FY2012 – FY2014

Division	Job type	FY12	FY13 Adopted	FY13 Amend #2	Change from FY13 Amend #2	FY14 Proposed
Academic Affairs	Administrative	7.90	6.90	7.00	0.00	7.00
	Faculty	5.50	6.50	4.50	14.00	18.50
	Support	8.00	8.00	6.00	0.00	6.00
<b>Academic Affairs Total</b>		<b>20.50</b>	<b>20.50</b>	<b>17.50</b>	<b>14.00</b>	<b>31.50</b>
Administrative Services	Administrative	5.00	5.00	5.00	0.00	5.00
	Support	36.75	34.75	35.00	(1.00)	34.00
<b>Administrative Services Total</b>		<b>41.75</b>	<b>39.75</b>	<b>40.00</b>	<b>(1.00)</b>	<b>39.00</b>
Advancement & External Affairs	Administrative	9.75	10.75	9.75	(1.00)	8.75
	Support	7.00	6.00	6.00	1.00	7.00
<b>Advancement &amp; External Affairs Total</b>		<b>16.75</b>	<b>16.75</b>	<b>15.75</b>	<b>0.00</b>	<b>15.75</b>
Arts & Sciences	Administrative	19.00	19.00	12.00	0.00	12.00
	Faculty	121.50	124.50	124.25	(9.00)	115.25
	Support	12.00	12.00	11.00	0.00	11.00
<b>Arts &amp; Sciences Total</b>		<b>152.50</b>	<b>155.50</b>	<b>147.25</b>	<b>(9.00)</b>	<b>138.25</b>
Board of Trustees	Administrative	1.00	1.00	1.00	0.00	1.00
<b>Board of Trustees Total</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>
Extended Learning and Professional Studies (ELPS)	Administrative	14.00	13.00	16.00	1.00	17.00
	Support	8.85	9.85	10.00	(0.50)	9.50
<b>ELPS Total</b>		<b>22.85</b>	<b>22.85</b>	<b>26.00</b>	<b>0.50</b>	<b>26.50</b>
Executive Offices	Administrative	9.64	9.15	5.90	0.10	6.00
	Faculty	0.75	0.50	0.75	0.00	0.75
	Support	6.65	7.00	4.00	0.00	4.00
<b>Executive Offices Total</b>		<b>17.04</b>	<b>16.65</b>	<b>10.65</b>	<b>0.10</b>	<b>10.75</b>
Financial Services	Administrative	10.00	10.00	10.00	0.00	10.00
	Support	18.75	19.00	19.00	0.00	19.00
<b>Financial Services Total</b>		<b>28.75</b>	<b>29.00</b>	<b>29.00</b>	<b>0.00</b>	<b>29.00</b>
Health and Human Services	Administrative	18.50	18.00	17.00	2.37	19.37
	Faculty	31.43	32.43	34.43	(4.00)	30.43
	Support	9.00	9.00	9.00	0.00	9.00
<b>Health &amp; Human Services Total</b>		<b>58.93</b>	<b>59.43</b>	<b>60.43</b>	<b>(1.63)</b>	<b>58.80</b>
Human Resources	Administrative	7.00	7.00	7.00	0.00	7.00
	Support	4.00	4.00	5.00	0.00	5.00
<b>Human Resources Total</b>		<b>11.00</b>	<b>11.00</b>	<b>12.00</b>	<b>0.00</b>	<b>12.00</b>
Information Technology Services	Administrative	22.00	22.00	22.00	0.00	22.00
	Faculty	1.00	0.00	0.00	0.00	0.00
	Support	22.00	22.00	23.00	0.00	23.00
<b>Information Technology Services Total</b>		<b>45.00</b>	<b>44.00</b>	<b>45.00</b>	<b>0.00</b>	<b>45.00</b>
Student Services	Administrative	25.38	25.98	27.67	5.04	32.71
	Faculty	16.77	17.77	17.56	5.00	22.56
	Support	36.69	34.69	33.69	1.10	34.79
<b>Student Services Total</b>		<b>78.84</b>	<b>78.44</b>	<b>78.92</b>	<b>11.14</b>	<b>90.06</b>
Technical Careers	Administrative	7.00	10.00	10.00	0.00	10.00
	Faculty	48.50	43.00	43.00	(7.00)	36.00
	Support	8.00	7.00	6.00	0.00	6.00
<b>Technical Careers Total</b>		<b>63.50</b>	<b>59.00</b>	<b>59.00</b>	<b>(7.00)</b>	<b>52.00</b>
<b>Grand Total</b>		<b>558.41</b>	<b>553.87</b>	<b>542.50</b>	<b>8.11</b>	<b>549.61</b>
Administrative		155.27	156.88	150.32	7.51	157.83
Faculty		225.45	224.70	224.49	(1.00)	223.49
Support		177.69	172.29	167.69	1.60	169.29

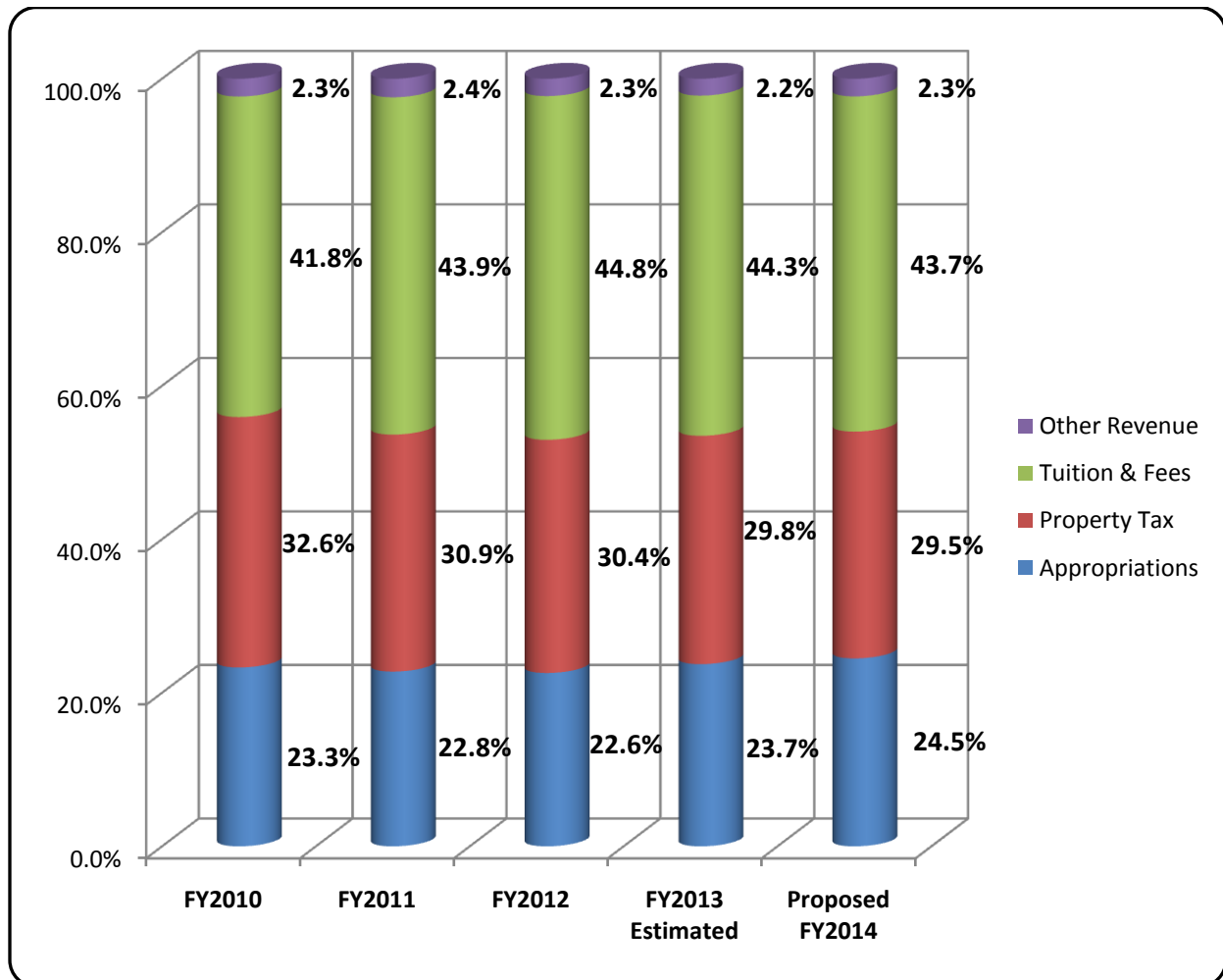
# LANSING COMMUNITY COLLEGE

## SOURCES OF REVENUE

### Five Year Trend

Account Description	FY2010	FY2011	FY2012	FY2013 Projected	FY2014 Proposed
Appropriations	\$29,763,000	\$29,763,000	\$28,652,000	\$29,639,000	\$30,168,000
Property Tax	\$41,682,000	\$40,360,000	\$38,544,000	\$37,158,000	\$36,415,000
Tuition & Fees	\$53,342,000	\$57,446,000	\$56,812,000	\$55,349,000	\$53,821,000
Other Revenue	\$2,952,000	\$3,155,000	\$2,863,000	\$2,740,000	\$2,830,000
<b>Total Revenues</b>	<b>\$127,739,000</b>	<b>\$130,724,000</b>	<b>\$126,871,000</b>	<b>\$124,886,000</b>	<b>\$123,234,000</b>

### Percent of Total Revenue



**LANSING COMMUNITY COLLEGE  
OPERATING AND CAPITAL BUDGETS  
Five Year History**

	<b>FY2010 Actual</b>	<b>FY2011 Actual</b>	<b>FY2012 Actual</b>	<b>FY2013 Estimated</b>	<b>FY2014 Proposed</b>
<b><u>Revenues</u></b>					
State Appropriations	\$29,762,500	\$29,762,500	\$28,651,900	\$29,638,900	\$30,168,000
Property Taxes	\$41,681,598	\$40,359,554	\$38,543,630	\$37,158,000	\$36,415,000
Tuition & Fees	\$53,341,935	\$57,446,240	\$56,812,166	\$55,349,000	\$53,821,000
Other Revenues	\$2,952,461	\$3,155,419	\$2,862,783	\$2,740,000	\$2,830,000
Total Revenues	\$127,738,494	\$130,723,713	\$126,870,479	\$124,885,900	\$123,234,000
<b><u>Operating Budgets</u></b>					
Salaries & Wages	\$63,174,473	\$62,318,528	\$61,277,546	\$58,845,870	\$59,044,990
Employee Benefits	\$23,292,389	\$23,941,747	\$25,714,748	\$25,047,340	\$25,117,010
Total Salaries + Benefits	\$86,466,862	\$86,260,275	\$86,992,294	\$83,893,210	\$84,162,000
Services & Supplies	\$18,679,619	\$18,097,003	\$18,035,316	\$19,113,803	\$18,584,000
Student Services Visioning	\$0	\$0	\$0	\$500,000	\$500,000
General Institutional Scholarships	\$1,270,719	\$1,287,288	\$1,500,712	\$1,231,000	\$1,231,000
Child Care Scholarship	\$259,602	\$251,100	\$208,434	\$254,200	\$254,000
Total Operating Budgets	\$106,676,802	\$105,895,666	\$106,736,756	\$104,992,213	\$104,731,000
Contingency	\$0	\$0	\$0	\$1,956,223	\$716,000
Negotiations Contingency	\$0	\$0	\$0	\$0	\$0
Promise Scholarship Replacement	\$952,233	\$0	\$0	\$0	\$0
Severance - VRSIP	\$734,523	\$0	\$0	\$0	\$0
Total	\$1,686,756	\$0	\$0	\$1,956,223	\$716,000
<b><u>Capital Budgets</u></b>					
Grant Match	\$1,058,578	\$1,080,620	\$1,353,075	\$1,291,333	\$1,238,000
Major Equipment	\$1,414,500	\$1,414,500	\$1,134,500	\$1,134,500	\$1,135,000
Debt Service, all Issues	\$7,609,684	\$7,637,958	\$7,642,446	\$8,751,466	\$8,752,000
Plant Improvement	\$3,075,000	\$3,075,000	\$3,075,000	\$3,075,000	\$2,715,000
Technology Infrastructure	\$3,000,000	\$2,500,000	\$3,250,000	\$3,100,000	\$3,100,000
Technology Fee	\$0	\$0	\$0	\$0	\$385,000
Division Renovations	\$87,125	\$87,125	\$87,125	\$87,125	\$87,000
Facilities-Auxiliary Fund	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Plant Fund - Chargeback to be Capitalized	\$0	\$0	(\$47,489)	\$0	\$0
Facilities - Auxiliary 2007	\$0	\$0	\$2,307,782	\$0	\$0
Capital Projects	\$950,996	\$1,733,087	\$0	\$98,040	\$0
Total Capital Budgets	\$17,595,883	\$17,928,290	\$19,202,439	\$17,937,464	\$17,787,000
<b>Total Revenues</b>	\$127,738,494	\$130,723,713	\$126,870,479	\$124,885,900	\$123,756,000
<b>Total Allocation/Expenditures</b>	\$125,959,441	\$123,823,956	\$125,939,195	\$124,885,900	\$123,756,000
<b>Change in Net Assets</b>	\$1,779,053	\$6,899,757	\$931,284	\$0	\$0
Use of Desig Funds - Change in Encumb	(\$103,023)	\$593,754	\$349,918	\$0	\$0
Use of Desig Funds – Legal and/or Plant	(\$1,676,030)	(\$7,493,511)	\$0	\$0	\$0
<b>Total change in undesignated net assets</b>	\$0	\$0	\$1,281,202	\$0	\$0
Undesignated General Fund Beg of Year	\$17,999,311	\$17,999,311	\$17,999,311	\$19,280,513	\$19,280,513
<b>Undesignated General Fund End of Year</b>	\$17,999,311	\$17,999,311	\$19,280,513	\$19,280,513	\$19,280,513

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

	<b>FY2010 Actual</b>	<b>FY2011 Actual</b>	<b>FY2012 Actual</b>	<b>FY2013 Estimated</b>	<b>FY2014 Proposed</b>
<b><i>Operating Budgets - Divisions</i></b>					
Academic Affairs	\$1,308,385	\$2,133,084	\$2,096,528	\$2,014,675	\$3,114,215
Administrative Services	\$10,301,594	\$10,465,638	\$10,823,965	\$10,316,656	\$10,201,342
Advancement & External Affairs	\$3,460,476	\$2,935,142	\$2,582,557	\$2,863,230	\$2,985,000
Arts & Science	\$27,697,867	\$32,085,786	\$31,670,336	\$31,177,891	\$28,802,013
BCI	\$1,926,730	\$0	\$0	\$0	\$0
Board of Trustees	\$329,980	\$266,893	\$215,992	\$250,204	\$249,104
Business Media and Info Technologies	\$9,196,200	\$0	\$0	\$0	\$0
Executive Offices	\$2,252,626	\$3,382,032	\$3,735,710	\$2,939,111	\$2,782,376
Extended Learning & Professional Studies	\$0	\$4,492,655	\$4,520,197	\$4,903,915	\$5,385,049
Financial Services	\$3,578,160	\$3,076,243	\$3,385,726	\$3,495,644	\$3,959,976
Health & Human Services	\$8,913,934	\$11,241,425	\$11,880,282	\$11,783,988	\$11,957,116
Human Resources	\$1,845,572	\$1,409,036	\$1,375,375	\$1,546,772	\$1,792,022
Information Technology Services	\$8,716,077	\$8,779,736	\$8,599,185	\$9,130,264	\$9,194,819
Strategic Planning & Partnerships	\$4,124,324	\$0	\$0	\$0	\$0
Student Services	\$11,478,861	\$11,848,832	\$12,711,068	\$12,683,368	\$12,676,854
Technical Careers	\$10,015,696	\$12,240,776	\$11,430,689	\$9,901,295	\$9,646,114
Total all Divisions	\$105,146,482	\$104,357,278	\$105,027,610	\$103,007,013	\$102,746,000
<b><i>Operating Budgets - Account</i></b>					
Administrator Full Time	\$11,277,763	\$11,224,810	\$11,308,297	\$11,364,880	\$12,284,500
Administrator Part Time	\$1,515,012	\$1,359,368	\$1,335,117	\$1,373,330	\$1,327,600
Faculty Full Time	\$15,992,651	\$15,829,364	\$15,868,608	\$15,398,370	\$15,931,950
Faculty Part Time	\$20,136,038	\$20,254,095	\$19,584,811	\$17,602,230	\$16,122,390
Support Full Time	\$9,327,570	\$8,930,684	\$8,589,683	\$8,422,680	\$8,497,910
Support Part Time	\$3,199,566	\$3,208,819	\$2,963,804	\$2,963,780	\$3,085,150
Student	\$1,725,873	\$1,511,388	\$1,627,226	\$1,720,600	\$1,795,490
Total Salaries and Wages	\$63,174,473	\$62,318,528	\$61,277,546	\$58,845,870	\$59,044,990
Employee Benefits	\$23,292,389	\$23,941,747	\$25,714,748	\$25,047,340	\$25,117,010
Non Capital Equipment	\$191,472	\$202,810	\$204,460	\$293,585	\$221,797
Institutional Expenses	\$2,472,512	\$2,085,771	\$1,930,983	\$2,034,732	\$1,883,600
Utilities	\$2,442,929	\$2,783,700	\$2,845,586	\$2,787,220	\$2,709,538
Liability Insurance	\$425,940	\$479,076	\$413,040	\$318,290	\$346,398
Professional Services	\$1,902,498	\$1,685,722	\$1,452,583	\$1,611,020	\$1,566,276
Purchased Services	\$4,010,178	\$3,585,753	\$3,828,510	\$3,699,552	\$3,611,644
Rental Expense	\$663,785	\$630,473	\$631,373	\$739,716	\$876,586
Repair and Maintenance	\$1,155,383	\$1,197,679	\$1,146,585	\$1,182,244	\$1,169,541
Supplies	\$4,747,426	\$4,848,381	\$4,819,164	\$5,645,743	\$5,362,306
Travel, Training and Conferences	\$667,496	\$597,638	\$763,032	\$801,701	\$836,314
Total Services and Supplies	\$18,679,619	\$18,097,003	\$18,035,316	\$19,113,803	\$18,584,000
Total Division Operating	\$105,146,481	\$104,357,278	\$105,027,610	\$103,007,013	\$102,746,000
General Institutional Scholarships	\$1,270,719	\$1,287,288	\$1,500,712	\$1,231,000	\$1,231,000
Childcare Scholarships	\$259,602	\$251,100	\$208,434	\$254,200	\$254,000
Student Services Visioning	\$0	\$0	\$0	\$500,000	\$500,000
Total College Operating	\$106,676,802	\$105,895,666	\$106,736,756	\$104,992,213	\$104,731,000



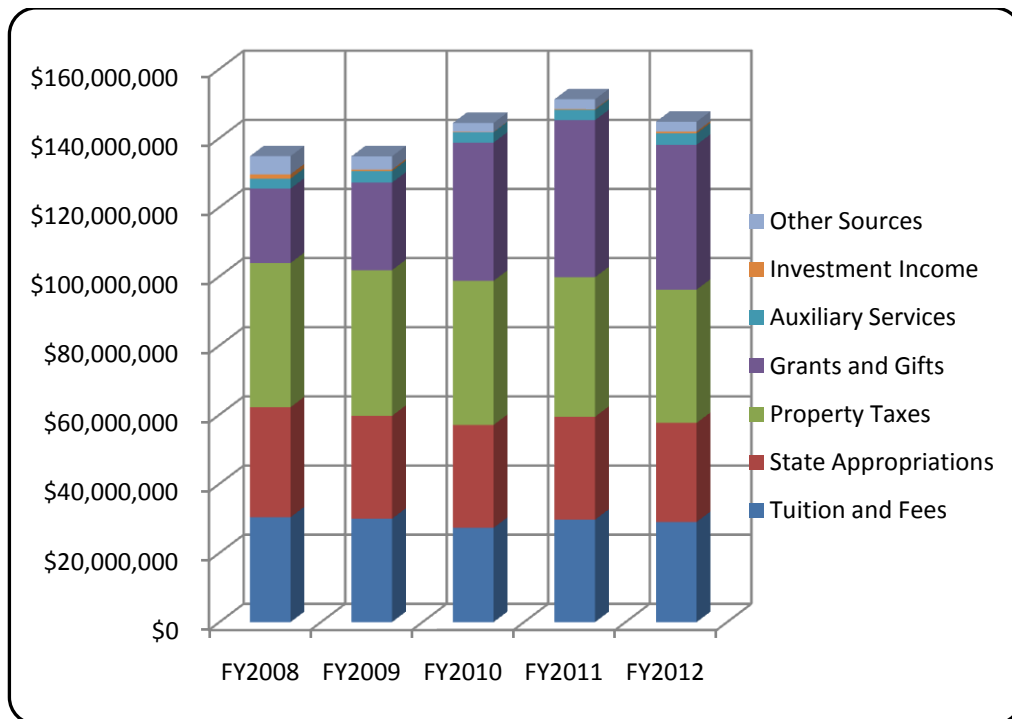
## LANSING COMMUNITY COLLEGE REVENUE AND EXPENDITURE BY ACTIVITY – ALL FUNDS FIVE YEAR HISTORY

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.

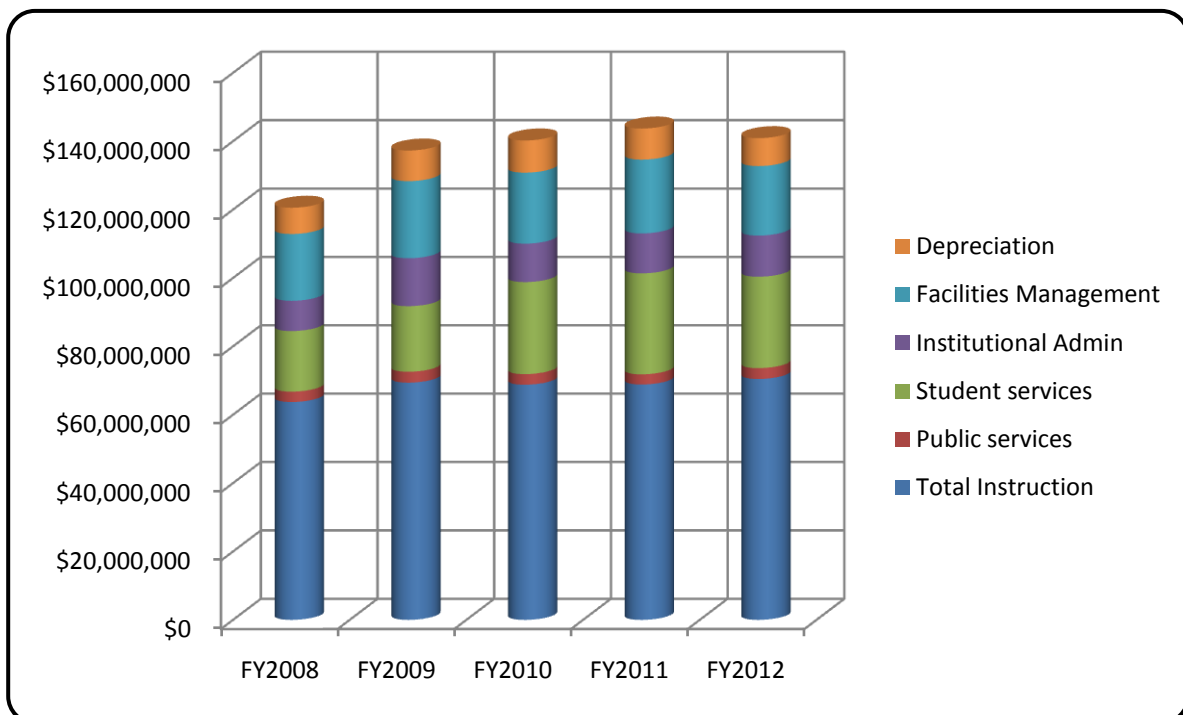
	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Revenue:</b>					
Tuition and Fees*	\$30,337,889	\$29,903,915	\$27,265,422	\$29,649,088	\$28,979,245
State Appropriations	\$31,810,203	\$29,762,500	\$29,762,500	\$29,762,500	\$28,651,900
Property Taxes	\$41,722,075	\$42,147,127	\$41,681,996	\$40,359,554	\$38,543,630
Grants and Gifts	\$21,536,341	\$25,319,424	\$39,997,197	\$45,438,061	\$41,908,061
Auxiliary Services	\$2,872,679	\$3,338,948	\$2,992,370	\$2,981,292	\$3,303,012
Investment Income	\$1,244,354	\$437,689	\$82,155	\$195,154	\$509,745
Other Sources	\$5,249,533	\$3,827,570	\$2,615,173	\$2,866,652	\$2,851,475
<b>Total Revenue</b>	<b>\$134,773,074</b>	<b>\$134,737,173</b>	<b>\$144,396,813</b>	<b>\$151,252,301</b>	<b>\$144,747,068</b>
<b>Expenditures:</b>					
Instruction	\$43,283,246	\$46,654,529	\$46,403,697	\$47,627,872	\$48,921,597
Instructional Support	\$20,447,472	\$22,732,391	\$22,386,779	\$21,211,978	\$21,545,150
<b>Total Instruction</b>	<b>\$63,730,718</b>	<b>\$69,386,920</b>	<b>\$68,790,476</b>	<b>\$68,839,850</b>	<b>\$70,466,747</b>
Public Services	\$3,022,360	\$3,188,632	\$3,094,673	\$2,980,456	\$3,164,438
Student Services	\$17,729,457	\$19,182,351	\$26,913,778	\$29,539,633	\$26,742,055
Institutional Admin	\$8,841,887	\$14,026,044	\$11,245,916	\$11,679,996	\$12,029,791
Facilities Management	\$19,547,375	\$22,547,749	\$20,764,960	\$21,580,777	\$20,331,085
Depreciation	\$7,680,791	\$8,949,125	\$9,414,522	\$9,091,813	\$8,170,195
<b>Total Expenditures</b>	<b>\$120,552,588</b>	<b>\$137,280,821</b>	<b>\$140,224,325</b>	<b>\$143,712,525</b>	<b>\$140,904,311</b>
Expenditures and Transfers	\$14,220,486	(\$2,543,648)	\$4,172,488	\$7,539,776	\$3,842,757
Beginning Fund Balance	\$114,599,327	\$128,819,813	\$126,276,165	\$130,448,653	\$137,988,429
Ending Fund Balance	\$128,819,813	\$126,276,165	\$130,448,653	\$137,988,429	\$141,831,186

\*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

	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Revenue:</b>					
Federal Grants/Contracts	\$17,590,681	\$22,011,024	\$36,954,676	\$42,134,974	\$37,735,829
State Grants/Contracts	\$1,170,917	\$1,158,988	\$589,955	\$308,623	\$1,236,128
Local Grants/Contracts	\$329,519	\$608,205	\$835,946	\$1,483,210	\$1,516,465
Private Gifts/Grants	\$0	\$0	\$0	\$0	\$0
Other Sources	\$43,858	\$6,835	\$152,073	\$125,301	\$84,899
<b>Total Revenue</b>	<b>\$19,134,975</b>	<b>\$23,785,052</b>	<b>\$38,532,650</b>	<b>\$44,052,108</b>	<b>\$40,573,321</b>
<b>Expenditures:</b>					
Instruction	\$0	\$625,133	\$779,475	\$950,440	\$1,117,219
Instructional support	\$4,293,180	\$2,864,864	\$3,127,675	\$2,445,646	\$1,905,734
<b>Total Instruction</b>	<b>\$4,293,180</b>	<b>\$3,489,997</b>	<b>\$3,907,150</b>	<b>\$3,396,086</b>	<b>\$3,022,953</b>
Public services	\$487,793	\$830,225	\$778,984	\$765,243	\$673,406
Student services	\$15,300,720	\$19,712,678	\$34,453,125	\$40,475,116	\$37,595,717
Information Technology	\$20,568	\$12,122	\$0	\$0	\$0
Institutional Administration	\$0	\$454,347	\$231,430	\$292,012	\$416,586
Facilities Management	\$0	\$331,303	\$218,367	\$203,671	\$217,734
<b>Total Expenditures</b>	<b>\$20,102,261</b>	<b>\$24,830,672</b>	<b>\$39,589,056</b>	<b>\$45,132,128</b>	<b>\$41,926,396</b>
<b>Transfers In (Out):</b>					
Student Services-Match	\$0	\$0	\$0	\$0	\$0
Other	\$954,161	\$1,045,620	\$1,056,406	\$1,080,020	\$1,353,075
<b>Total Transfers</b>	<b>\$954,161</b>	<b>\$1,045,620</b>	<b>\$1,056,406</b>	<b>\$1,080,020</b>	<b>\$1,353,075</b>
<b>Total Expenditures and Transfers</b>	<b>\$19,148,100</b>	<b>\$23,785,052</b>	<b>\$38,532,650</b>	<b>\$44,052,108</b>	<b>\$40,573,321</b>
<b>Change in Net Assets</b>	<b>(\$13,125)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Beginning Fund Balance</b>	<b>\$184,743</b>	<b>\$171,618</b>	<b>\$171,618</b>	<b>\$171,618</b>	<b>\$171,618</b>
<b>Ending Fund Balance</b>	<b>\$171,618</b>	<b>\$171,618</b>	<b>\$171,618</b>	<b>\$171,618</b>	<b>\$171,618</b>

# DESIGNATED FUND REVENUE AND EXPENDITURE BY ACTIVITY FIVE YEAR HISTORY

	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Revenue:</b>					
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	\$1,077,138	\$1,514,476	\$1,573,260	\$1,180,619	\$937,956
<b>Total Revenue</b>	<b>\$1,077,138</b>	<b>\$1,514,476</b>	<b>\$1,573,260</b>	<b>\$1,180,619</b>	<b>\$937,956</b>
<b>Expenditures:</b>					
Instruction	\$0	\$28,195	\$3,245	\$40	\$0
Instructional Support	\$18,514	\$85,213	\$51,325	\$96,714	\$5,831
<b>Total Instruction</b>	<b>\$18,514</b>	<b>\$113,408</b>	<b>\$54,570</b>	<b>\$96,754</b>	<b>\$5,831</b>
Public services	\$58,497	\$143,634	\$198,676	\$121,531	\$0
Student services	\$777,439	\$812,505	\$670,942	\$766,501	\$753,209
Information Technology	\$3,113	\$6,533	\$0	\$0	\$0
Institutional Administration	\$361,531	\$61,971	\$291,659	\$230,122	\$156,037
Facilities Management	\$6,091	\$383,306	\$282,569	\$243,018	\$1,687
<b>Total Expenditures</b>	<b>\$1,225,185</b>	<b>\$1,521,357</b>	<b>\$1,498,416</b>	<b>\$1,457,926</b>	<b>\$916,764</b>
<b>Transfers In (Out):</b>					
Other	\$0	\$0	\$0	\$0	\$0
<b>Total Transfers</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Expenditures and Transfers</b>	<b>\$1,225,185</b>	<b>\$1,521,357</b>	<b>\$1,498,416</b>	<b>\$1,457,926</b>	<b>\$916,764</b>
<b>Change in Net Assets</b>	<b>(\$148,047)</b>	<b>(\$6,881)</b>	<b>\$74,844</b>	<b>(\$277,307)</b>	<b>\$21,192</b>
<b>Beginning Fund Balance</b>	<b>\$137,317</b>	<b>(\$10,730)</b>	<b>(\$17,611)</b>	<b>\$57,233</b>	<b>(\$220,074)</b>
<b>Ending Fund Balance</b>	<b>(\$10,730)</b>	<b>(\$17,611)</b>	<b>\$57,233</b>	<b>(\$220,074)</b>	<b>(\$198,882)</b>

# AUXILIARY FUND REVENUE AND EXPENDITURE BY ACTIVITY FIVE YEAR HISTORY

	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Revenue:</b>					
Sales & Services Educational activities	\$2,872,679	\$3,338,948	\$2,992,370	\$2,981,292	\$3,303,012
Sales & Services Auxiliary activities					\$247,946
Other sources	\$98,195	\$34,981	\$4,865	\$3,418	\$2,585
<b>Total Revenue</b>	<b>\$2,970,874</b>	<b>\$3,373,929</b>	<b>\$2,997,235</b>	<b>\$2,984,710</b>	<b>\$3,553,543</b>
<b>Expenditures:</b>					
Instruction	\$0	\$286,580	\$235,417	\$134,974	\$83,863
Instructional support	\$0	\$596,464	\$235,456	\$193,769	\$358,373
<b>Total Instruction</b>	<b>\$0</b>	<b>\$883,044</b>	<b>\$470,873</b>	<b>\$328,743</b>	<b>\$442,236</b>
Public Services	\$252,308	\$338,731	\$343	\$45,546	\$29,599
Student Services	\$1,039,051	\$22,126	\$15,140	\$13,251	\$15,545
Information Technology	\$9,048	\$16,344	\$0	\$0	\$0
Institutional Administration		\$442,343	\$506,786	\$171,307	\$194,616
Facilities Management	\$1,178,630	\$1,812,853	\$1,390,797	\$2,975,864	\$2,781,805
<b>Total Expenditures</b>	<b>\$2,479,037</b>	<b>\$3,515,441</b>	<b>\$2,383,939</b>	<b>\$3,534,711</b>	<b>\$3,463,801</b>
<b>Transfers In (Out):</b>	\$800,000	\$400,000	(\$148,199)	\$400,000	\$400,000
<b>Total Expenditures &amp; Transfers</b>	<b>\$1,679,037</b>	<b>\$3,115,441</b>	<b>\$2,532,138</b>	<b>\$3,134,711</b>	<b>\$3,063,801</b>
<b>Change in Net Assets</b>	<b>\$1,291,837</b>	<b>\$258,488</b>	<b>\$465,097</b>	<b>(\$150,001)</b>	<b>\$489,742</b>
<b>Beginning Fund Balance</b>	<b>\$1,599,785</b>	<b>\$2,891,622</b>	<b>\$3,150,110</b>	<b>\$3,615,207</b>	<b>\$3,465,206</b>
<b>Ending Fund Balance</b>	<b>\$2,891,622</b>	<b>\$3,150,110</b>	<b>\$3,615,207</b>	<b>\$3,465,206</b>	<b>\$3,954,948</b>

# PLANT FUND

## REVENUE AND EXPENDITURE BY ACTIVITY

### FIVE YEAR HISTORY

	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Revenue:</b>					
Other Sources		\$102	\$38,575	\$50,889	\$486,672
Capital gifts	\$1,089,597	\$1,092,736			
State Appropriation	\$2,532,140				
Investment return and other gains	\$483,473	\$170,856	\$16,024	\$11,009	
Interest on Capital Assets (related debt)	(\$3,241,375)	(\$3,097,828)	(\$2,936,962)	(\$2,725,686)	(\$2,403,409)
<b>Total Revenue</b>	\$863,835	(\$1,834,134)	(\$2,882,363)	(\$2,663,788)	(\$1,916,737)
<b>Expenditures:</b>					
Instruction			\$679,561	\$702,878	\$849,245
Instructional support			\$296,046	\$306,204	\$329,698
<b>Total Instruction</b>	\$0	\$0	\$975,607	\$1,009,082	\$1,178,943
Public services			\$27,715	\$28,665	\$40,773
Student services			\$234,162	\$242,196	\$329,698
Information Technology		\$1,826,258	\$0	\$0	\$181,106
Institutional Administration			\$177,029	\$183,104	\$100,574
Facilities Management	\$5,152,771	\$4,134,012	\$1,124,548	\$2,171,260	\$3,507,986
Depreciation	\$7,680,791	\$8,949,125	\$9,414,522	\$9,091,813	\$8,170,195
<b>Total Expenditures</b>	\$12,833,562	\$14,909,395	\$11,953,583	\$12,726,120	\$12,330,332
Transfers In (Out):	\$15,204,141	\$17,649,080	\$16,687,676	\$16,447,670	\$17,496,853
<b>Total Expenditures &amp; Transfers</b>	(\$2,370,579)	(\$2,739,685)	(\$4,734,093)	(\$3,721,550)	(\$5,166,521)
<b>Change in Net Assets</b>	\$3,234,414	\$905,551	\$1,851,730	(\$15,389,908)	\$2,400,539
<b>Beginning Fund Balance</b>	\$98,890,365	\$102,124,779	\$103,030,330	\$104,882,060	\$105,939,822
<b>Ending Fund Balance</b>	\$102,124,779	\$103,030,330	\$104,882,060	\$105,939,822	\$108,340,361

## LANSING COMMUNITY COLLEGE FY2014 ACTIVE GRANT FUNDS DETAIL

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
08-13 EEES Engaging Early Engineering Students	A core goal of this project is to develop a system-wide response in which instructors, administrators, and student leaders, collaborate and work as a team to increase engineering student success in all categories.	National Science Foundation	7/1/2008	6/30/2014	\$498,530
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.	National Science Foundation	9/15/2009	8/31/2013	\$91,199
09-13 CCAMPIS Childcare Access	Purpose of this grant is to support campus-based child care to increase student retention and completion of college.	US Dept of Education	10/1/2009	9/30/2013	\$529,711
11-13 CAMW! Utility Industry Training Services	A project which proposes to deliver utility training to 164 participants in the following areas: Pre-Apprenticeship Line worker Training, Underground Line worker Training, Substation/Engineering Technician Training, substation Operations Technician Training and Advanced Metering Infrastructure Technician Training.	US Dept of Energy	7/28/2011	7/29/2013	\$501,026
11-14 NSF 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	7/1/2011	6/30/2014	\$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	9/1/2011	8/31/2016	\$1,450,545
11-17 KCP-MICUP Student Transition Enrichment Program	Michigan College/University Partnership Program with Central Michigan University (CMU). Funding to participate in recruitment efforts for students transferring to CMU.	State of Michigan Workforce Development Agency	10/1/2011	9/30/2017	\$24,000
12-13 Automotive Articulation Program of Study Grant	Purpose is to outline a pilot process and mechanism whereby Michigan community colleges career and technical programs follow a process to articulate occupational college courses with similar college courses across the state.	US Dept of Education	10/1/2012	9/30/2013	\$13,500

**LANSING COMMUNITY COLLEGE**  
**FY2014 ACTIVE GRANT FUNDS DETAIL (continued)**

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
12-13 GSRP Great Start Readiness Program	To enable recipients to establish or expand high-quality preschool programs designed to improve the readiness and subsequent achievement of children at risk of becoming educationally disadvantaged.	MI Dept of Education	10/1/2012	9/30/2013	\$129,285
12-13 HSDCI State Foundation	State funding to support high school recapture program.	MI Dept of Education	9/1/2012	8/31/2013	\$302,321
12-13 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.	Health and Human Services	10/1/2012	9/30/2013	\$173,540
12-13 Motorcycle and High Visibility Gear Purchase Grant	Funds to purchase on Suzuki TU250 training motorcycle and high visibility gear for use in the Motorcycle Safety Training program.	US Dept of Transportation	4/26/2013	9/30/2013	\$4,340
12-13 Motorcycle Safety Training	Funding to support the offering of motorcycle safety training.	MI Dept of State	10/1/2012	9/30/2013	\$50,573
12-13 Program of Study: Energy Management & Systems Technology	Provides funding to create secondary-to-postsecondary sequences of academic and career education coursework that lead students to attain a postsecondary degree or industry-recognized certificate or credential.	US Dept of Education	10/1/2012	9/30/2013	\$7,500
12-13 Program of Study: Fire Science	Provides funding to create secondary-to-postsecondary sequences of academic and career education coursework that lead students to attain a postsecondary degree or industry-recognized certificate or credential.	US Dept of Education	10/1/2012	9/30/2013	\$7,500
12-13 The Early College State Foundation	State funding to support the Early College program.	MI Dept of Education	9/1/2012	8/31/2013	\$964,752
12-14 Credit When It's Due	The grant opportunity aims to encourage state education systems to explore and implement consistent approaches to awarding associate degrees to students who transfer from community colleges to four-year institutions with the intention of earning a bachelor's degree.	Lumina and Kresge Foundations	10/1/2012	9/30/2014	\$12,000
12-14 HSDCI Mott Foundation	Funding to support the HSDCI initiative which provides high school dropouts with educational opportunities, support systems and wrap-around services.	Mott Foundation	2/1/2012	7/31/2013	\$150,000



**LANSING COMMUNITY COLLEGE**  
**FY2014 ACTIVE GRANT FUNDS DETAIL (continued)**

Grant Name	Description	Funding Agency	Start Date	End Date	Actual Award
12-14 NSF Collaborative Research: Quantitative Literacy	Project purpose is to develop and pre- and post-test for Quantitative Reasoning. LCC's role would be to participate in field testing the developed instrument.	National Science Foundation	2/15/2012	1/31/2014	\$0
12-14 Plus 50 Encore Completion Program	To enhance and expand credential completion possibilities for plus 50 students in high-demand, social impact fields of healthcare, education and social/human service.	Deerbrook Charitable Trust	9/1/2012	12/31/2014	\$15,000
12-15 JET Workfirst	The JET Program is designed to establish and maintain a connection to the labor market for individuals referred from the MI Dept of Human Services while offering educational and training opportunities and Job Search/Job Readiness.	US Dept of Labor	10/1/2012	9/30/2013	\$223,153
12-16 H1B Technical Skills Training Grant - IT	The Tech Knowledge E-Pathways project will focus on meeting the current and future workforce needs of the information technology industry in the Capital Area.	US Dept of Labor	8/15/2012	7/31/2016	\$1,043,911
12-16 NSF ATE Convergence Technology Center	Funding to support Collin County Community College District and seven partner colleges and universities to extend the work of the Convergence Technology Center.	National Science Foundation	8/15/2012	7/31/2016	\$299,181
13-13 Michigan ALP Network College Grant	The Accelerated Learning Program allows developmental students to take their developmental writing course concurrently with their credit writing course.	Kresge Foundation	1/1/2013	12/31/2013	\$5,700
13-13 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.	US Small Business Administration	1/1/2013	12/31/2013	\$193,000
13-15 MI Pathways to Credentials	Funding to expand programs that align non-credit and credit career training, help low-skilled adults bypass traditional developmental coursework and earn stackable credentials.	Kresge Foundation	4/1/2013	3/30/2015	\$75,000

# **STATISTICS AND APPENDIX**

## LANSING COMMUNITY COLLEGE SELECTED STATISTICS

LCC is the fifth largest employer in the capital area, with more than 3,000 employees

### Top 10 principal employers Compare 2012 to 2003

2012				
Employer	Product/Service	Rank	# of Employees	% of Total District Population
State of Michigan	Government	1	11,200	2.88%
Michigan State University	Higher Education	2	10,725	2.76%
Sparrow Health System	Health Care	3	5,735	1.48%
Liberty National Life Insurance	Insurance	4	5,000	1.29%
General Motors Corporation	Automotive	5	4,035	1.04%
Lansing Community College	Higher Education	6	3,180	0.82%
Ingham Regional Medical Center	Health Care	7	2,400	0.62%
Meijer, Inc.	Retail	8	2,000	0.52%
Lansing School District	Education	9	1,601	0.41%
Jackson National Life	Insurance	10	1,200	0.31%

2003				
Employer	Product/Service	Rank	# of Employees	% of Total District Population
General Motors Corporation	Automotive	1	16,000	7.59%
State of Michigan	Government	2	13,517	6.42%
Michigan State University	Higher Education	3	12,200	5.79%
Sparrow Health System	Health Care	4	6,000	2.85%
Meijer, Inc.	Retail	5	3,800	1.80%
Lansing School District	Education	6	3,500	1.66%
Ingham Regional Medical Center	Health Care	7	2,800	1.33%
Lansing Community College	Higher Education	8	2,474	1.17%
U.S. Postal Service	Government	9	1,300	0.62%
City of Lansing	Government	10	1,295	0.61%

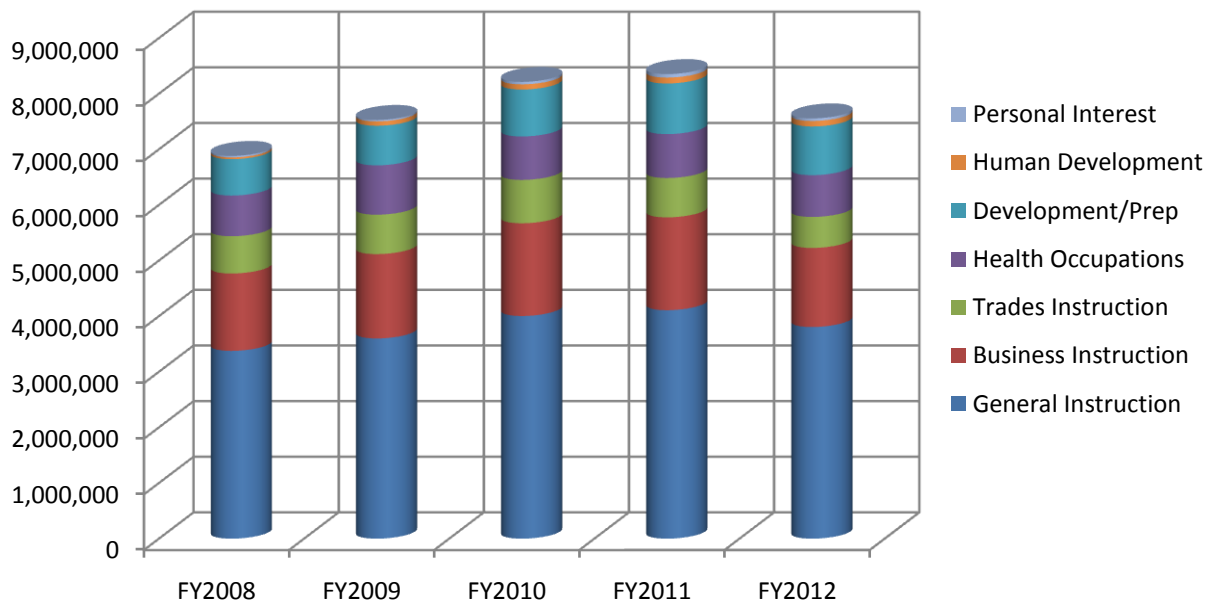
### Student Age Distribution

Age group	Percent
under 18	2.5%
18-21	39.6%
22-29	29.7%
30-39	14.6%
40-49	8.0%
50 or over	5.6%

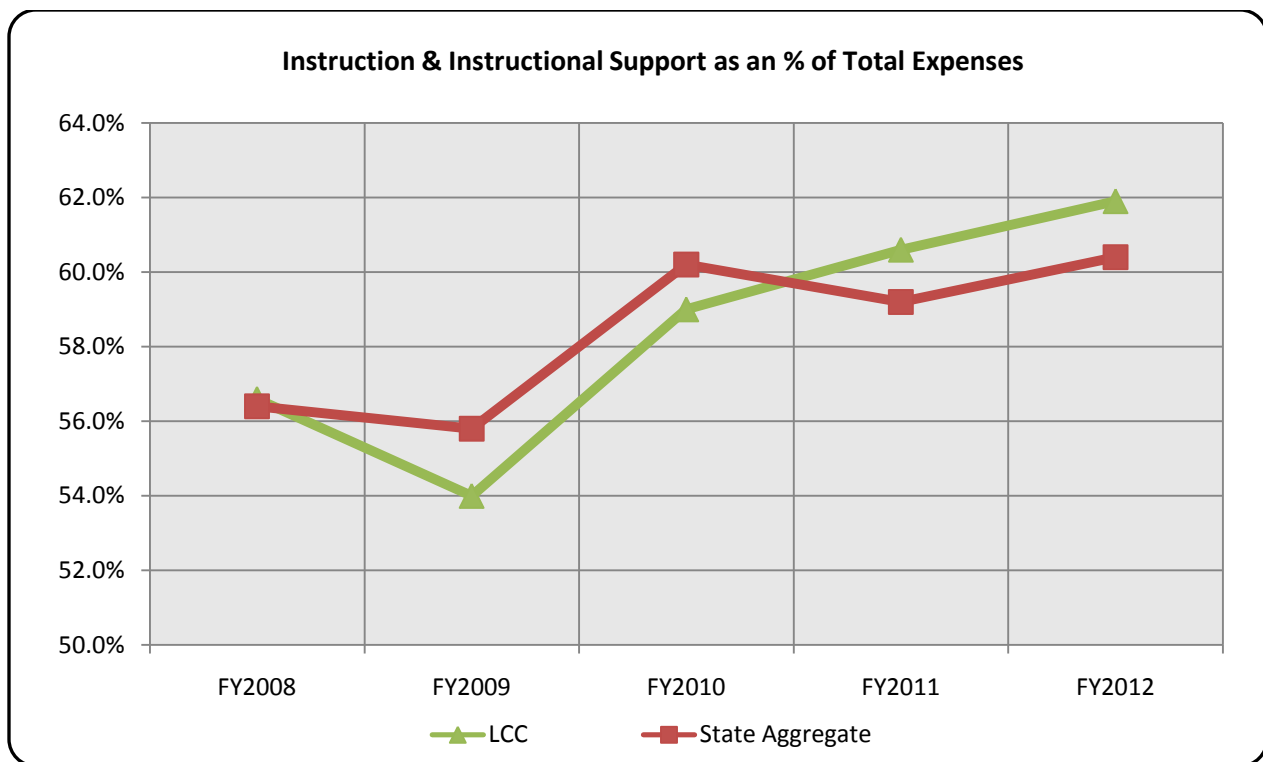
### Student Contact Hours by ACS Category 2008 – 2012

ACS	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Personal Interest</b>	25,899	25,694	43,466	62,304	45,850
<b>Human Development</b>	32,224	78,928	93,280	106,208	99,072
<b>Development/Prep</b>	654,104	711,704	844,408	910,304	875,808
<b>Health Occupations</b>	731,241	887,713	781,041	789,145	750,916
<b>Trades Instruction</b>	670,560	708,655	779,839	707,867	557,268
<b>Business Instruction</b>	1,390,834	1,516,226	1,667,283	1,669,134	1,421,839
<b>General Instruction</b>	3,376,512	3,599,805	4,003,153	4,107,793	3,805,657
<b>TOTAL</b>	<b>6,881,374</b>	<b>7,528,725</b>	<b>8,212,470</b>	<b>8,352,755</b>	<b>7,556,410</b>

Total Student Contact Hours  
by ACS Category



Source: Michigan Community College Databook 2012



Since 1957 more than 500,000 people have taken classes 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, fire and regional allied health personnel.

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

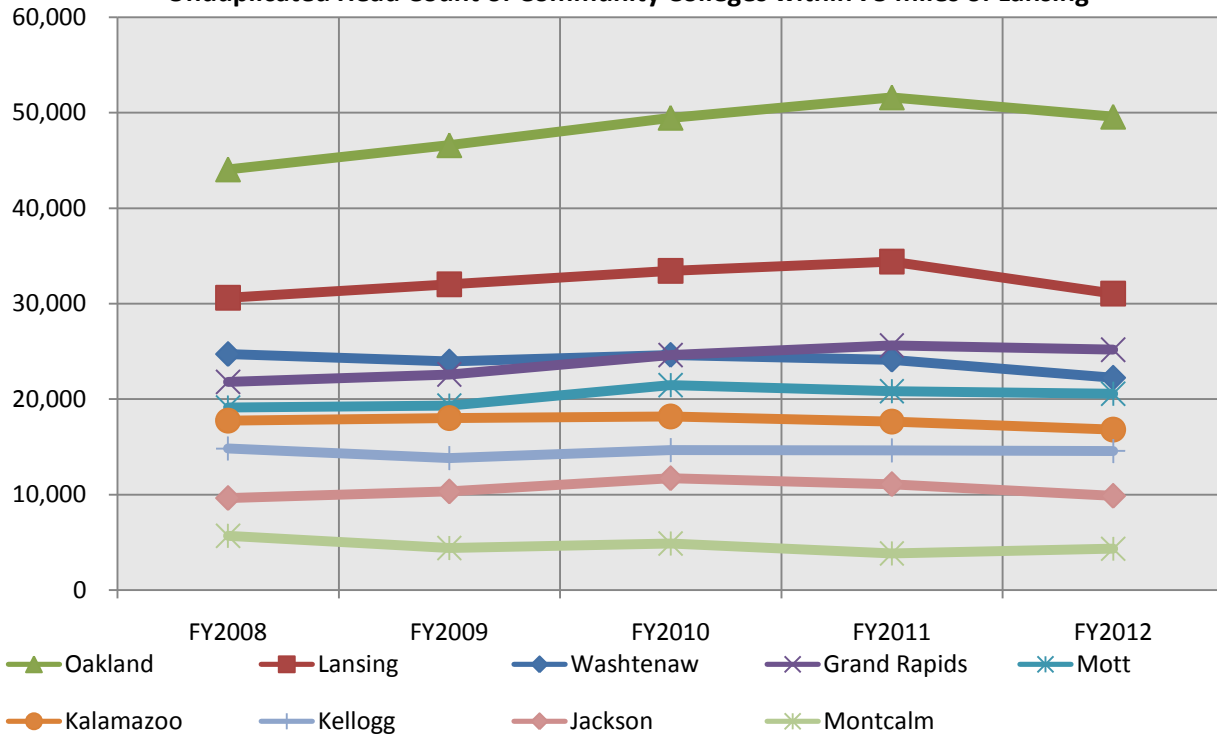
LCC offers over 280 associate degree and certificate programs

More than 400 international students from 56 countries attended LCC in 2012.

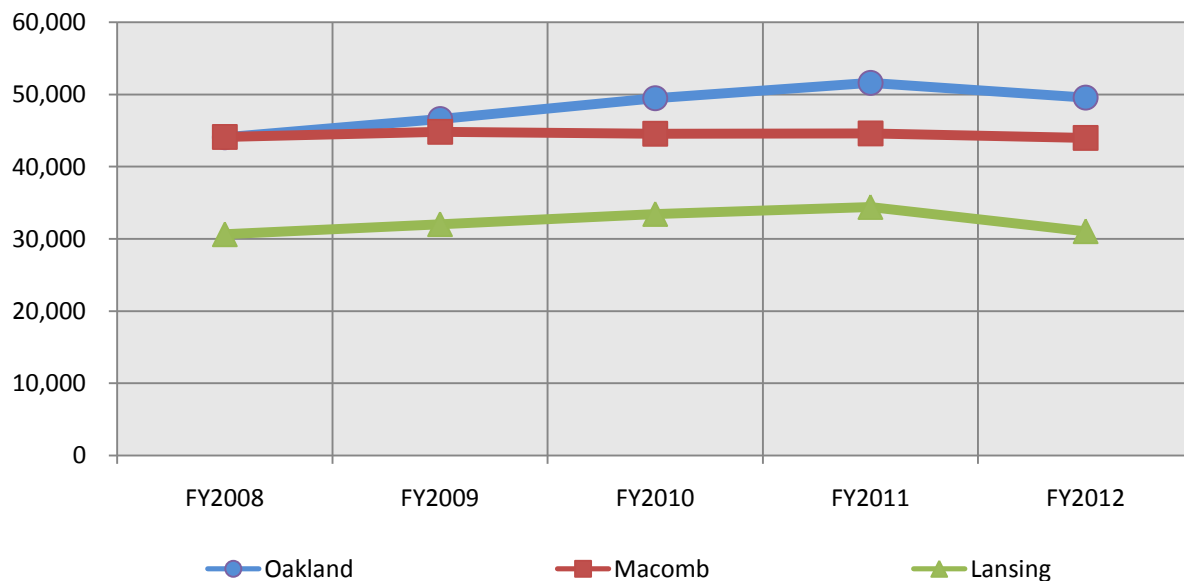
LCC' student body is 55% Women;44% Men (1% No Response)

Ethnicity: White 65%, Black 11.2%, Hispanic 2.3%, Asian 3.1%,  
American Indian 0.74%, other/unknown 18%

**Unduplicated Head Count of Community Colleges within 75 miles of Lansing**



**Unduplicated Head Count of Community Colleges Similar to LCC in Enrollment**

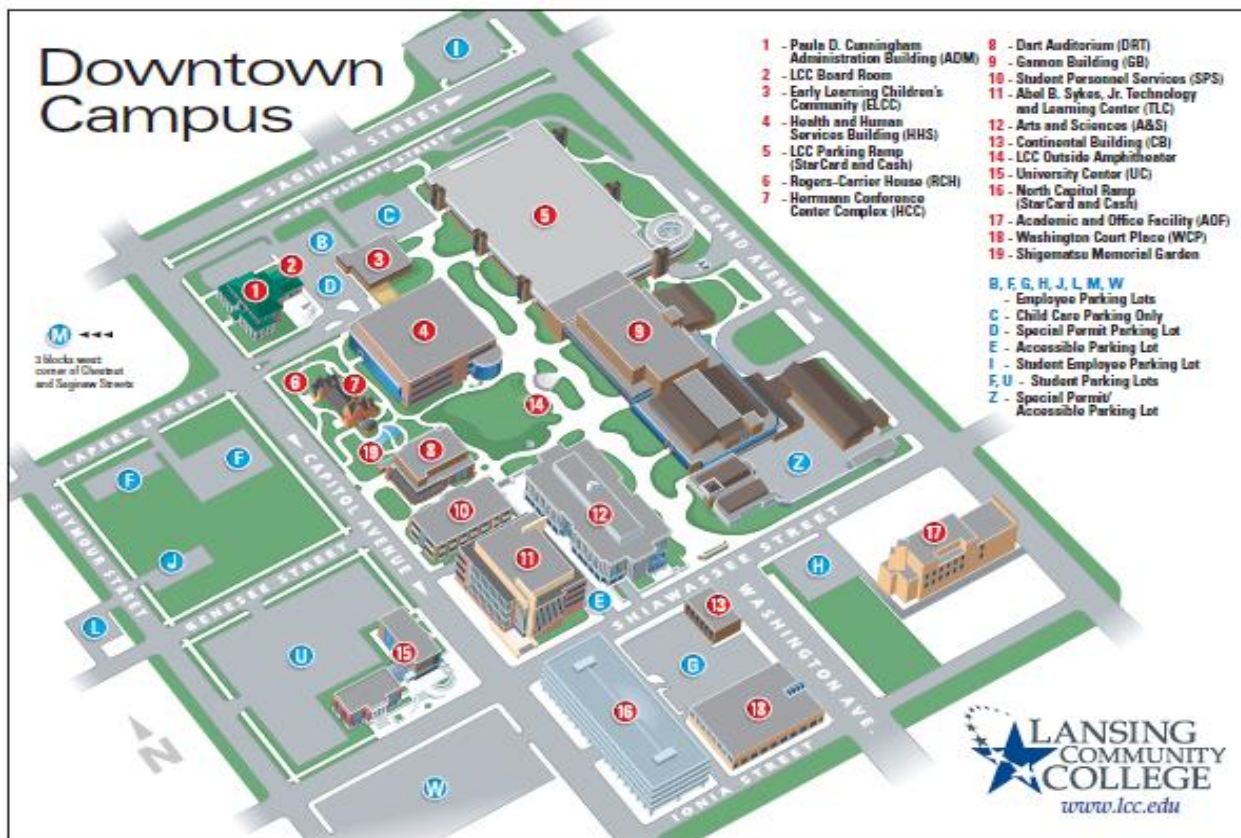


# MICHIGAN COMMUNITY COLLEGE BUSINESS OFFICER'S ASSOCIATION

## Tuition and Fees Survey – Spring 2013

		2012-13 Rates			2013-14 Proposed Rates		
	COLLEGE	In-Dist	Out-Dist	Out-State	In-Dist	Out-Dist	Out-State
1	Alpena Community College	106	166	None	111	175	175
2	Bay de Noc Community College	99	154	297	103	183	315
3	Delta College	86	135	200	88.50	142	275
4	Glen Oaks Community College	90	176	None	95	153	185
5	Gogebic Community College	99	134	166	102	140	171
6	Grand Rapids Comm College	98	215	322	103	221.50	228.50
7	Henry Ford Community College	75	135	140	82	142	147
8	Jackson Community College	106	159	212	111	161	216
9	Kalamazoo Valley Comm College	84	136	184	88	151	204
10	Kellogg Community College	84	136	194	89.50	145.25	207.75
11	Kirtland Community College	92	128	212	96	134	221
12	Lake Michigan College	83	129	169	87	134.50	179.50
13	<b>Lansing Community College</b>	<b>81</b>	<b>162</b>	<b>243</b>	<b>83</b>	<b>166</b>	<b>249</b>
14	Macomb Community College	86	131	170	89	136	176
15	Mid Michigan Comm College	93	172	324	98	182	343
16	Monroe County Comm College	84	144	160	92	158	176
17	Montcalm Community College	87	164	244	91	171	254
18	Mott Community College	108	162	216	117.23	170.93	243
19	Muskegon Community College	86	153	210	89.50	160	210
20	North Central Michigan College	78	128	165	87	143.75	186.50
21	Northwestern Michigan College	85	166	213	86.30	170.90	218.85
22	Oakland Community College	71	125	176	76.40	139.10	195.15
23	Schoolcraft College	87	127	188	90	131	195
24	Southwestern Michigan College	104	135	147	109.50	141.50	154
25	St. Clair County Comm College	95	184	268	96	187	272
26	Washtenaw Community College	89	142	187	91	146	193
27	Wayne County Comm College	89	110	140	102	113	143
28	West Shore Community College	83	150	200	86	155	205
	<b>AVERAGE</b>	<b>\$99</b>	<b>\$149</b>	<b>\$206</b>	<b>\$94</b>	<b>\$155</b>	<b>\$212</b>

DNA – data not available

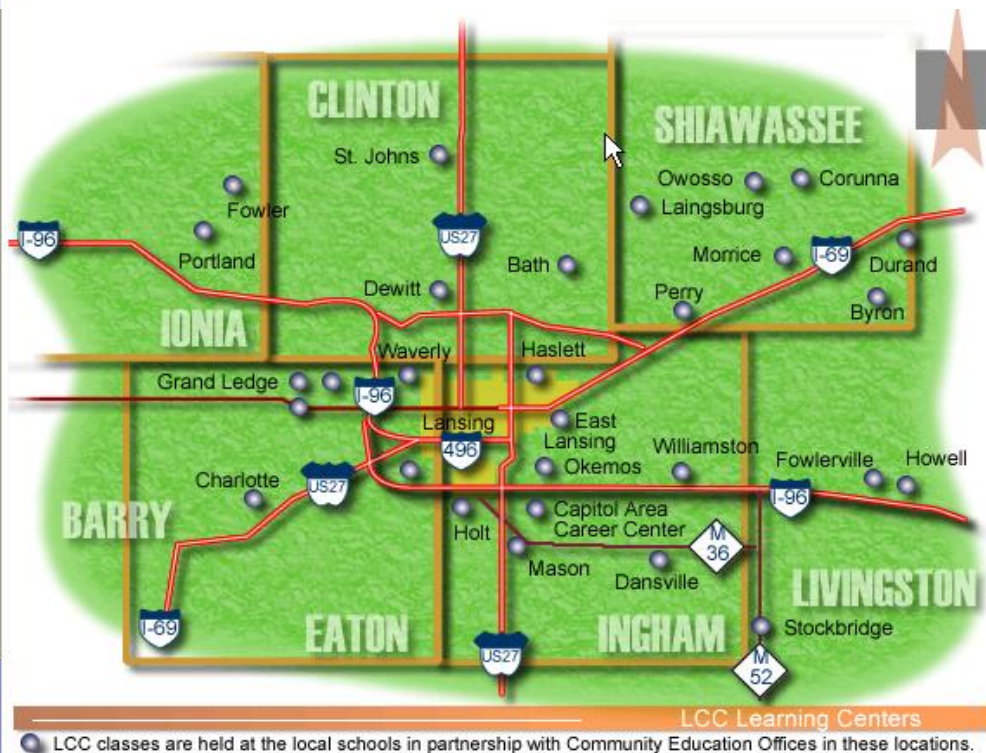




### LCC Resident Districts and Learning Centers



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.

## 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.

## **Glossary of Terms**

### **Academic Quality Improvement Program (AQIP)**

An alternative method to maintain accreditation established by the Higher Learning Commission. An organization must demonstrate that it meets the Higher Learning Commission's Criteria for Accreditation through processes that align with the ongoing activities that characterize organizations striving continuously to improve their performance.

### **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.

**Fiscal Year Equated Student (FYES)**

An FYES is equal to 100% of the normal full time credit hours in a fiscal year, defined as 31 credit hours.

**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.

### **Program Quality Improvement Process (PQIP)**

A process to provide academic programs with a framework for implementing positive change in an effort to achieve a systemic approach to continuous quality improvement.

### **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 appraised 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.



## APPENDIX

### Expense Account Definitions

<b>Non Capital Equipment</b>		<b>Purchased Services</b>
Building/Improvements <\$5,000		Commercial Printing/Publication
Furniture < \$5,000		Current Development/Contracted
Equipment < \$5,000		Direct Instruction/Contracted
Instructional Equipment <\$5,000		Equipment Moving
Operational Equipment <\$5,000		Instructional Support/Contracted
Tech Equipment/Computers <\$5,000		Service Contracts
		Technical Support
<b>Institutional Expenses</b>		Temporary Help/Agency
Bond Administrative Expenses		Miscellaneous Purchased Services
Chargebacks		
Indirect Cost Expense		<b>Rental Expense</b>
Mail		Building Rentals
Property Taxes		Equipment Rentals
Telecommunication		Other Rentals
Bank Service Charges		Vehicle Rentals
Cost Share Expense		
Contributions and Sponsorships		<b>Repair and Maintenance</b>
		Building Maintenance Contracts
<b>Utilities</b>		Building Repairs
Electricity		Equipment Repairs
Gas		Equipment Service Contracts
Steam		Repair and Maintenance
Water		
Cable Television		<b>Supplies</b>
Professional Testing Fees		Fuel College Vehicles
		Memberships
<b>Liability Insurance</b>		Reference Books
		Software and Site Licenses
<b>Professional Services</b>		Subscriptions
Admin/Management Consulting		Supplies
Advertising		
Architect/Engineering Services		<b>Travel, Training and Conferences</b>
Audit Services		Travel Lodging
Election Costs		Travel Meal Allowance
Government Relations Consulting		Travel Miscellaneous
Legal Consultant		Travel Transportation
Collection Fees		Travel Registration Fees
		Meeting
		Mileage