



# Annual Budget



Fiscal Year 2017-2018



# **Lansing Community College**

## **FY 2017-2018 Strategic Planning & Budget**

**Lansing, Michigan**

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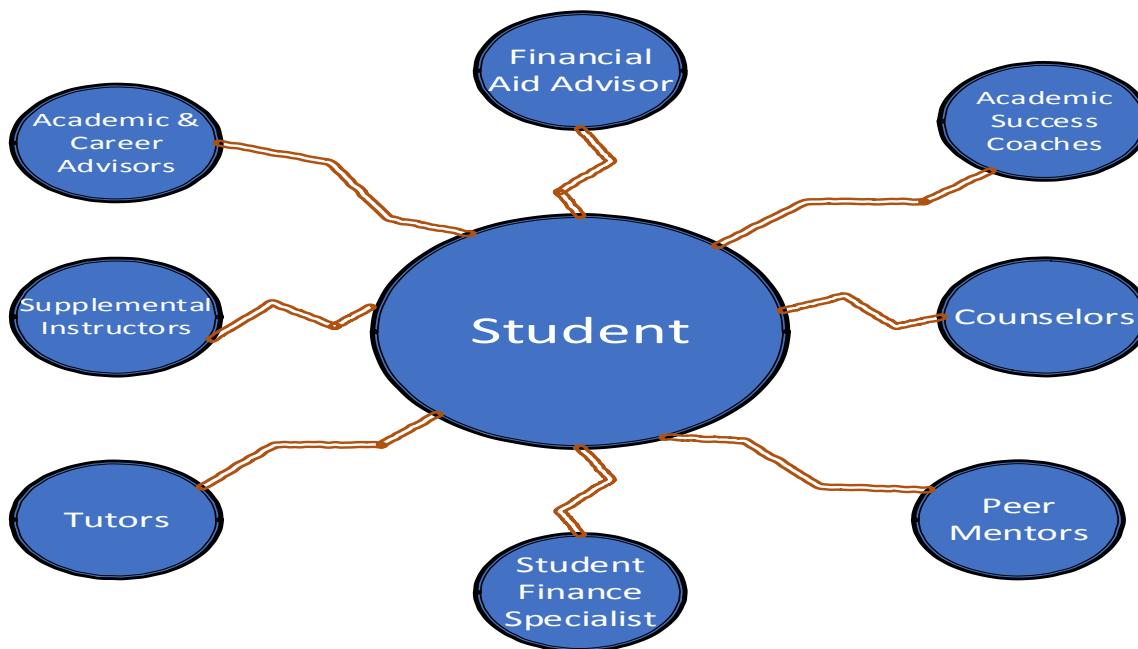
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## Joint Letter from the President and the Chief Financial Officer:

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

The one constant within community colleges for the past decade is change, and Lansing Community College differs little from its peers in terms of the need to adapt to change. LCC continues to respond creatively to the rapidly shifting needs of high school graduates, career changers, and individuals looking to upgrade their skills. The College's budget planning and choices are not intended to reduce the institution through subtraction, but to enlarge it through rational, planned, and data-informed decisions that allow us to apply what we do best to changing circumstances.

An unprecedented tuition increase of \$11 for FY2017 provided the resources to accelerate our work to provide "wrap-around" services for our students, utilizing best practices. Model institutions have found these practices yield results in increasing retention, completion and student success. The diagram below illustrates this concept:



For FY2018, this emphasis continues. LCC's challenge is to implement more than one change at a time. To this end, at its April 2017 regular meeting, the Board of Trustees approved a Dean of Student Success for FY2018. LCC will continue to implement a holistic approach to key, discipline-driven student support and faculty professional development, assuring continuous improvement in student success outcomes.

LCC's Academic Master Plan, Operation 100%: Achieving Excellence in Student Learning and Success is our comprehensive, systematic approach to defining goals and

objectives that implement our strategic plan and help us promote student achievement effectively and efficiently. LCC is well into the implementation phases of Operation 100%. For the first time this Fall, each incoming first-time student has a Guided Pathway. Also, an academic success effort known as the Student Engagement Report for timely and meaningful feedback from faculty to the student is in place for all students.

Each degree or certificate conferred by LCC is certainly a personal triumph for a student, but it is also the foundation for our future prosperity and competitiveness. An increase in the performance-based incentives in the way the State of Michigan handles higher education appropriations emphasizes success outcomes over pure enrollment increases. Along with all but one Michigan community college, LCC's enrollment began to decline in FY2012. Since then, LCC has continued to experience enrollment decline. Economic and demographic changes in the state of Michigan have contributed to the decline. For FY2018 Budget Development, a further decline of 6.2% over FY2017 was budgeted.

Almost a year ago, Schools.com ranked LCC as the best community college in Michigan. The ambient learning environment, science labs, facilities, and grounds rival the best in the nation. With our excellent faculty, focus on student success, guided academic pathways and cutting-edge teaching and learning environment, LCC is an outstanding value, especially in comparison of the first two years at a university. At \$103 per billable hour, LCC's tuition increase for FY2018 provides the sixth lowest tuition rate among Michigan community colleges, still well below the statewide average of \$111. LCC will continue to be a campus and college like no other, of which the community can be proud.

In presenting this FY2018 budget, we would like to recognize the hard work and dedication of all those who contributed to the achievement of this balanced budget, especially the Executive Leadership Team and the staff of the Financial Planning, Analysis and Review Department.

Respectfully submitted,

Brent Knight  
President  
Lansing Community College

Donald L. Wilske  
Chief Financial Officer  
Financial Services Division

## **LANSING COMMUNITY COLLEGE DISTINGUISHED BUDGET PRESENTATION AWARD**

The Government Finance Officers Association of the United States and Canada (GFOA) peer reviews submitted budget documents, evaluating based on established criteria. To qualify for the budgeting award, the organization must meet nationally recognized guidelines designed to assess how well the organization's budget serves as: a policy document; a financial plan; an operations guide; and a communications device. Budget documents must rate "proficient" in all four categories as well as the 14 mandatory criteria within those categories to receive the award. Qualifications for the financial reporting award include demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story.

GFOA conferred a Distinguished Budget Presentation Award on Lansing Community College of Lansing, Michigan for its annual budget for the fiscal year beginning July 1, 2016. The College has received this award for budget presentation since FY2009.

For FY2018, GFOA has created a new awards program named Best Practices in Community College Budgeting that is limited to Community Colleges. LCC aspires to be qualified for this award with this submission.



# **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 reports over 25,500 unduplicated students for fiscal year 2015-16.

The Higher Learning Commission of the North Central Association of Colleges and Schools accredits LCC. Regional accreditation validates the quality of an institution as a whole and evaluates multiple aspects of an institution, including its academic offerings, governance and administration, mission, finances, and resources.

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

### **Board of Trustees - July 1, 2016**

Andrew P. Abood, Chairperson  
*December 31, 2020*

Lawrence Hidalgo, Jr., Vice Chair  
*December 31, 2018*

Angela Matthews, Secretary  
*December 31, 2022*

Larry Meyer, Treasurer  
*December 31, 2020*

Ryan Buck, Trustee  
*December 31, 2022*

Robert E. Proctor, Trustee  
*December 31, 2022*

Robin Smith, Trustee  
*December 31, 2018*

Dr. Brent Knight, President

Based on Michigan Community Colleges Activity Classification Structure (ACS) 2015-16 Data Book & Companion, LCC has the third largest Contact-Hour Equated Student enrollment and the third largest Fiscal-Year Equated Student enrollment of the 28 community colleges in Michigan. The College enrolls over 25,500 students per fiscal year, made up of about 58% in-district and 42% out-district. LCC employs 2,424 full-time equivalent employees. The College offers classes year-round, in a three-semester curriculum. The College vision, mission, and guiding principles/values reflect the diversity and potential of its stakeholders.

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

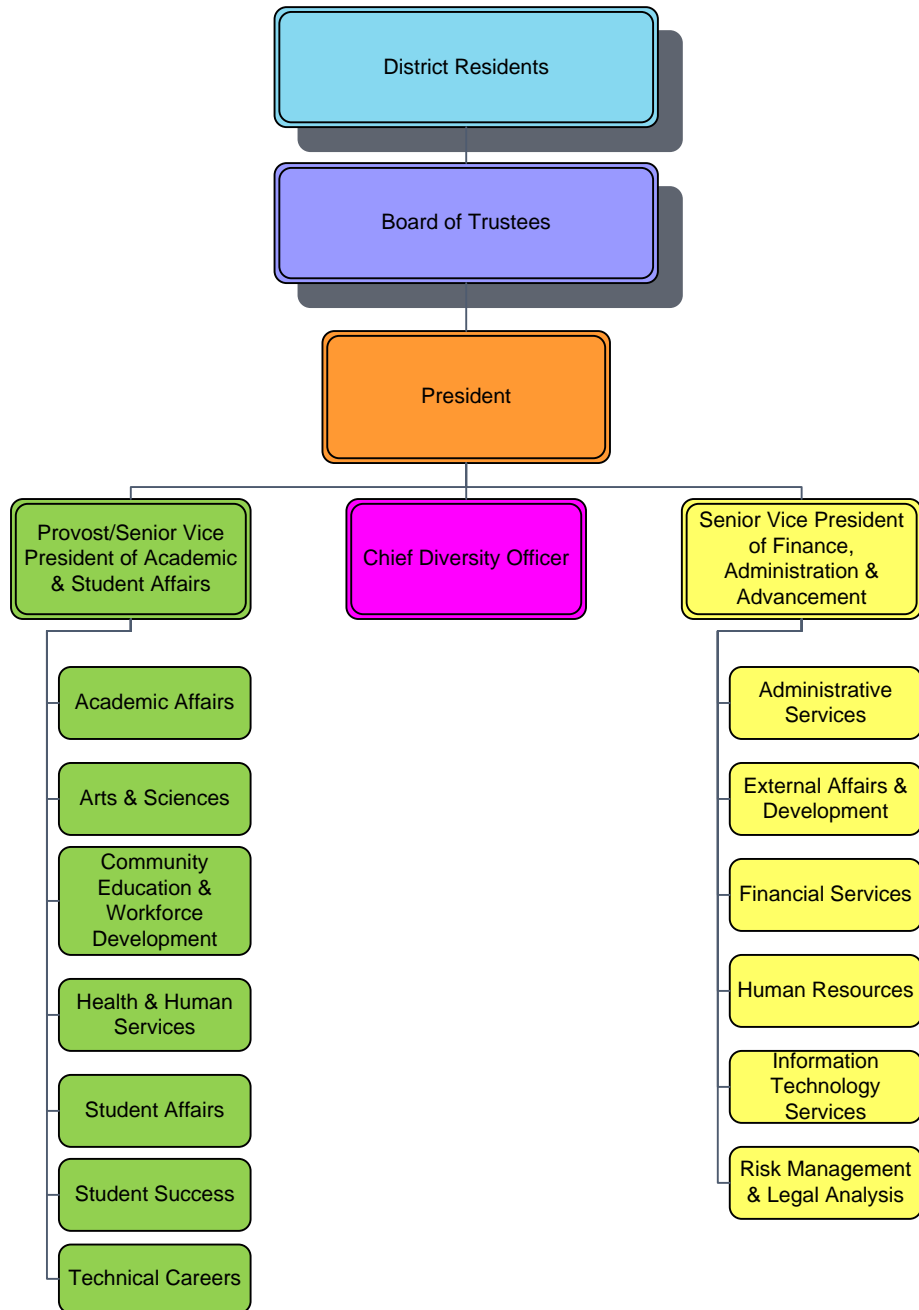
The main locations are:

- LCC Downtown Campus, including a University Center (housing classes for partner Universities), is a 48-acre campus covering nine city blocks and 1.516 million square feet of building space in downtown Lansing, Michigan
- LCC West in Delta Township, Michigan which is a 64 acre campus and houses the Michigan Technical Education Center®
- LCC East in East Lansing, Michigan
- Livingston Center at Parker Campus in Howell, Michigan
- LCC North in St. Johns, Michigan
- Aviation Technology Program Center at the Jewett Airfield in Mason, Michigan.

In addition, there are learning centers in more than 20 communities within the College's service district. Over 232 course offerings are available on-line. A complete Associate's Degree can be earned on-line.

The Statistics and Appendix section presents more LCC statistics, facts and maps.

## LANSING COMMUNITY COLLEGE

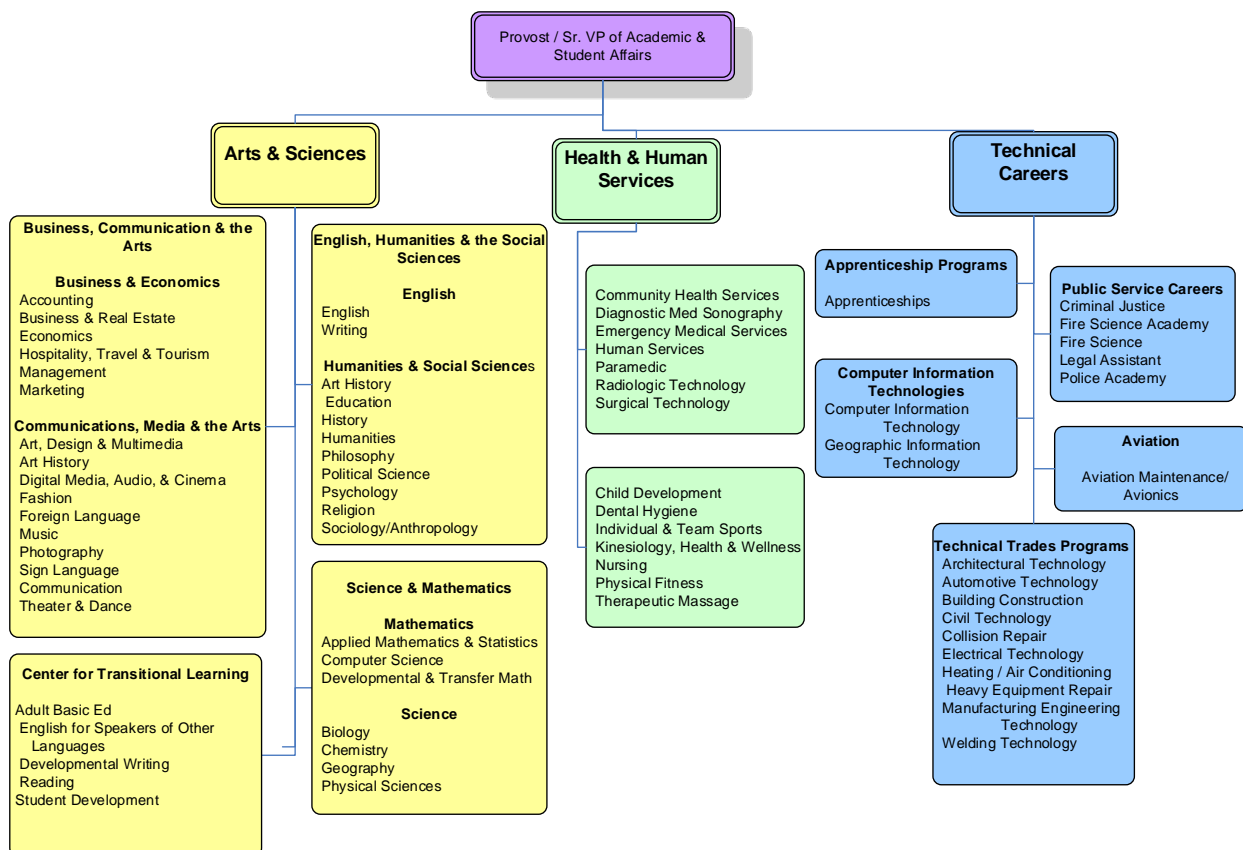




## Instructional Divisions

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, master plans, and program plans
3. Evaluating performance at the College level.



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

The Technical Careers Division reorganized for FY2017. The new structure incorporates an Associate Dean, consistent with the two other Instructional Divisions, supported by five Directors and six Program Coordinators. For A&S and HHS, the Associate Dean's responsibility are identified in the chart above, while, for TC, the chart reflects areas organized by Director responsibility.

## **Arts & Sciences**

The Arts & Sciences Division offers courses and programs based on traditional and contemporary values, in a learning environment which nourishes concepts and attitudes that enable students to respond creatively, intelligently, and compassionately to change and diversity within our community and the world.

The Arts & Sciences Division prepares students to transfer to various four-year colleges and universities throughout Michigan. Many of the courses are also accepted as transfer credits throughout the United States. The division is organized into three units with multiple departments under three Associate Deans and Program Directors for each program within those departments. In addition to the Dean, Associate Dean and Program Directors or Academic Coordinators, each department has a contingent of Faculty Program Chairs to provide regular input from the faculty perspective in the decision-making processes.

- Business, Communication and the Arts
  - Business offerings include Accounting; Business & Real Estate; Economics; Hotel & Food Service Management; Management and Marketing.
  - Communication & Arts offerings include Art, Design & Multimedia; Art History; Digital Media, Audio & Cinema; Fashion; Foreign Language; Music; Photographic Imaging Technologies; Sign Language; Communication; and Theater & Stage Technology are programs in this area.
- Center for Transitional Learning - This department was created in FY2012 to better focus efforts leading to success for learners who are not at a college-ready level, including those students for whom English is a second language. Included in this department are courses in Adult Basic Education, English for Speakers of Other Languages, Reading and Student Development.
- English, Humanities and the Social Sciences
  - The English Department offers English and Writing courses
  - Education Preparation; History; Humanities; Philosophy; Political Science; Psychology; Religion; and Sociology/Anthropology are the programs offered in the Humanities and Social Sciences Department.
- Science and Mathematics
  - Mathematics offers a variety of courses, including Applied Math & Statistics, Computer Science, and Developmental and Transfer Math.
  - The Science department offers a wide range of courses in the natural sciences for degree completion, transfer to four-year institutions or personal interest - Biology, Chemistry, Geography and Physical Science programs are in this department.

## **Health and Human Services**

This instructional division prepares many health careers workers, childcare workers, and human services workers for higher education or their careers. Its programs are diverse and aligned with national standards. Powerful education, health care, and business partnerships support LCC's commitment to optimize student success. Students may pursue an associate degree, certificate, or transfer curriculum. The division is divided into two areas under two Associate Deans with the following instructional areas:

- Associate Dean 1:
  - Community Health Services
  - Diagnostic Medical Sonography
  - Emergency Medical Services
  - Human Services
  - Paramedic
  - Radiologic Technology
  - Surgical Technology
- Associate Dean 2:
  - Child Development
  - Dental Hygiene
  - Individual & Team Sports
  - Kinesiology, Health & Wellness
  - Nursing
  - Physical Fitness
  - Therapeutic Massage

### **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 specialized skills essential for transition to employment in highly technical occupations, as well as opportunity for life-long training and retraining in a constantly changing job market.

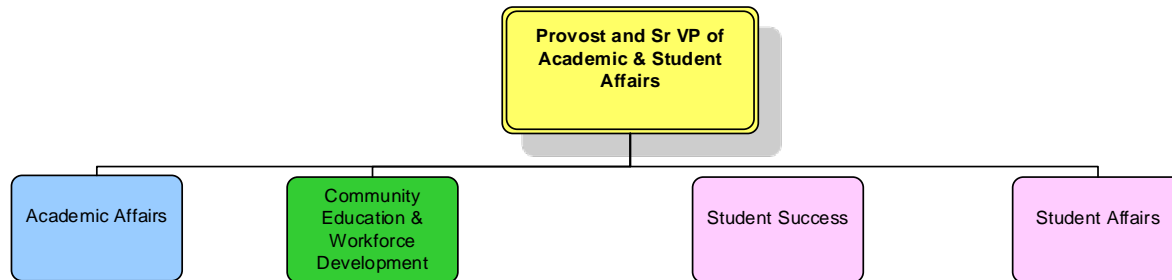
The Division is divided into the following areas:

- Apprenticeship Programs coordinate experiential learning opportunities that include internships, employer-sponsored apprenticeships and the Michigan Advanced Technician Training Program. The areas currently served include the advanced manufacturing, skilled-trades and information technology programs.
- Aviation – two associate degrees and three certificate programs are offered in aircraft maintenance and repair.
- Computer Information Technology - Provides students with cutting-edge learning opportunities in eight key computer technology areas: applications, databases, foundational software and hardware concepts, networking, programming, technical support, web environment and geographic information systems.
- Public Service Careers - Includes training for police, criminal justice, firefighting or corrections careers.



- Technical Trades Programs
  - Center for Manufacturing Excellence – includes studies in Computer Automated Design, Precision Machining, Robotics & Automation and Welding Technology.
  - Design and Construction Technologies programs reflect evolving design principles and integrate Architectural Technology, Building Construction, Civil Technology, Construction Management and Energy Management.-
  - Transportation Maintenance Technologies – Automotive technology, collision repair and heavy equipment repair are taught in these programs.

## Instructional Support Divisions



### Academic Affairs

Academic Affairs provides leadership for instruction and student support services. Academic Affairs 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 Academic Affairs 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 Academic Affairs:

- Academic Senate - Chartered in FY2013, 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, except as covered by the scope of collective bargaining.
- Center for Data Science (CDS) - CDS is instrumental to Lansing Community College's data-informed decision-making models that integrate data and best practices through research and quality. 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
- Center for Engaged Inclusion engages the campus and Lansing area in building an equitable and inclusive community through intellectual exploration and collaboration.
- Faculty Institute empowers faculty to reach students who are at-risk of not succeeding or dropping out, increasing success and desired outcomes.
- K-12 Relations – Manages articulation agreements and offers programs for dual enrollment/special admissions to nearly 1,000 students as a vehicle for preparing high school students for post-secondary education and the workforce. Partnerships with local school districts offer students 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 school district.
  - Early College and dual enrollment options provide high school students the opportunity to earn college credit as part of their high school learning experience.
- Student Life & Ombudsmen – The Student Life Office enhances student success and leadership development by offering diverse educational, cultural and social student engagement events and opportunities. These opportunities include student clubs and organizations, the student newspaper and the Student Leadership Academy.
- University Center - The University Center, located on LCC's downtown campus, is a partnership between Lansing Community College and five four-year universities. Our partner universities offer junior and senior level college courses leading to over 30 Bachelor's degrees, several post-baccalaureate certificates and Masters degrees. All community members, as well as current and former LCC students, may attend the University Center.

### **Community Education & Workforce Development**

The Community Education and Workforce Development Division at Lansing Community College helps the College meet its goals to extend learning opportunities in non-traditional ways. Through non-credit course offerings this unit provides educational opportunities to meet a variety of professional development and personal enrichment needs. This division also supports the educational needs in other regions through the Extension Centers by providing facilities to offer credit courses that lead to degree completion and/or transfer. The units of this division are designed to contribute to the economic and workforce development of the region and to foster a highly educated



community. The programs included in the Community Education & Workforce Development Division are:

- Corporate Training & Continuing Education – This unit offers performance solutions, training and non-credit courses in a variety of topics. These trainings and courses are used to meet the professional development and educational needs of the greater Lansing area.
- Center for Workforce Transition - In cooperation with the Capital Area Michigan Works! initiative, LCC provides services to dislocated and otherwise unemployed workers seeking to navigate the job search process. The Center provides workshops, as well as individual assistance focused on identifying career goals, retraining, acquiring new skills, and job search techniques.
- Extension / Community Education – This unit provides non-traditional access to lifelong learning opportunities encompassing both credit and non-credit educational offerings for adults and youth in a wide spectrum of disciplines.

The programs include:

- Extension Centers – LCC has three satellite campuses that offer credit courses that lead to LCC certificates, degrees or transfer, as well as non-credit courses for personal and professional enrichment. These centers include LCC East in East Lansing, LCC North in St. Johns and the Livingston County Center in Howell.
- Community Education provides educational opportunities to promote personal and academic enrichment for both adults and youth. This unit offers non-credit courses in a variety of current popular topics of personal interest for adults, as well as academic enrichment courses for youth in 2<sup>nd</sup> through 12<sup>th</sup> grade.
- Lifelong Learning and Central Service – This unit manages all divisional course delivery and logistic functions, provides instructional design for the courses within the division, as well as oversees grant management for the division.
- Michigan Small Business Development Center (SBDC) - Lansing Community College is host to the regional SBDC which is an extension of a state program to promote entrepreneurship in Michigan. This mission is achieved by providing counseling and seminars for small business owners to be able to define, start, expand and improve their businesses.

### **Student Affairs**

The Student Affairs 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 following 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 underwent a third-party review in 2013. A cross-functional committee reviewed facilities, processes, staffing patterns, etc. and incorporated third-party suggestions into a restructure. One key aspect of the plan was to create a comprehensive one-stop student services and support center, known as the Star Zone, that connects students with the resources they need to achieve their learning goals. The *Build Forward* project (ended in 2017) included extensive reshaping of spaces to accommodate the vision. Another key aspect of the plan was to realign staffing patterns to adopt the Associate Dean model used by the instructional units.

The FY2018 budget reassigns certain functional areas from Student Affairs to the new Student Success Division. Student Affairs programs now include:

- Athletics - LCC Athletics sponsors nine intercollegiate sports
- Associate Dean of Academic & Career Pathways
  - Academic & Career Advising – online, individual and group advising, specific walk-in advising times
  - Career & Employment Services – resume assistance, student employment, online job postings
  - Student Engagement Coordination – outreach, recruitment, orientation (mandatory for new students) and parent engagement activities
  - Testing Services – placement, course testing, proctoring services, certification and proficiency/core testing.
- Associate Dean of Student Support
  - Center for Student Support
    - Counseling
    - Global Student Services (International)
    - Non-Traditional Special Populations and Returning Adult support services – for those considering returning to school, exploring career options, or needing support in life transitions
  - Office of Operations & Compliance – responds to and resolves situations in which the behavioral choices of students are negatively impacting other students, including themselves
  - Veteran & Military Affairs- Veteran's Services staff is available to assist veterans with questions about educational benefits and connect veterans to essential services, including certifying enrollment to the Department of Veterans Affairs.
- Registrar – admissions, registration and record-keeping

## **Student Success**

In FY2017, the Board of Trustees committed to an unprecedented tuition increase in order to provide resources for “wrap around” services. For FY2018, it was determined student success would be best served by the creation of a new Division, organized under the Dean of Student Success, to oversee the integration and delivery of various, otherwise disparate student support services. Functions were reassigned from various existing divisions. The Student Success Division encompasses:

- Academic Success Coaching– the academic success coaches are responsible for ensuring that students receive persistent, proactive, individualized mentoring, academic coaching and support throughout their time at LCC. With the student, they identify obstacles that may be barriers to their academic success and help strategize solutions and next steps, such as study strategies, time management and identifying campus resources.
- Center for Teaching Excellence (CTE) - CTE is a department dedicated to enabling faculty to enhance teaching potential and effectiveness such that students are more likely to achieve the desired learning outcomes. CTE provides opportunities for professional growth in a variety of formats (i.e. workshops, courses, one-on-one assistance, etc.) to help assure that our students get the highest quality instruction and support.
- eLearning - the eLearning Department is committed to student success, supporting efforts to ensure a quality online education and support services are available to a diverse population of learners through a variety of technology resources. The eLearning Department is responsible for the administration of Lansing Community College's Course Management System (CMS), currently Desire2Learn (D2L), which houses all online and hybrid courses as well as providing course shells for those face-to-face instructors who wish to use the CMS to supplement their course.
- Learning Assistance
  - Library Services
  - Learning Commons (Tutoring) – tutoring is offered in many subjects, study strategy assistance and study space are available.
- Writing Center – The writing center provides one-to-one assistance, either face-to-face or on-line, to LCC students with writing projects in courses across the curriculum.

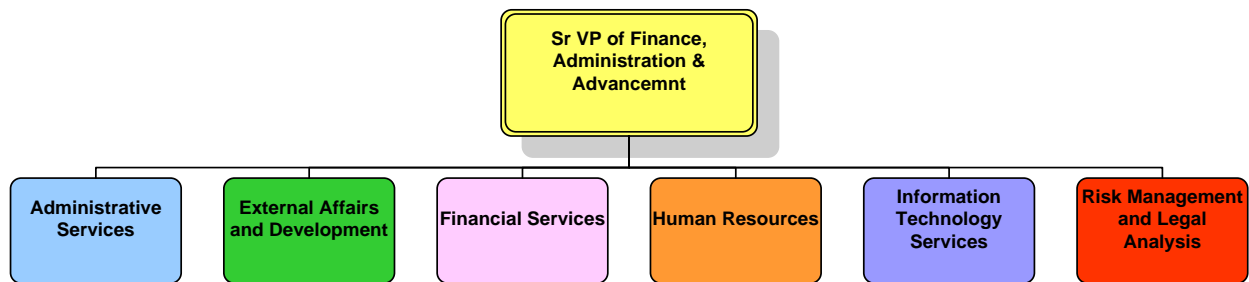
## Administrative Divisions

### Executive Offices

The Executive Offices include:

- Office of the President
- Office of the Provost/Senior Vice President of Academic and Student Affairs (areas of authority addressed in pages [12-20](#))
- Office of the Senior Vice President for Finance, Administration and Advancement
- Office of Diversity and Inclusion

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.



### Administrative Services

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

- Auxiliary Services – dining, conference services and parking and ID services.
- Emergency Management and Safety Services – this area is responsible for safety and emergency preparedness skills and procedures for the college as well as training faculty and staff in these skills and procedures. Maintaining a safe environment and ensuring compliance with federal and state regulations, including emergency alert and response systems is the duty of this area, as well.
- Fleet Management – maintains and operates the college's fleet
- Materials Management – mail and reprographics, print services and receiving and inventory are comprised within Materials Management.
- Physical Plant Operations – provides and maintains a clean, safe and aesthetically pleasing and positive learning environment.
- Public Safety Department – Operating 24 hours a day, the Public Safety Department provides services such as safety escorts, emergency access after-hours, maintaining LCC's lost and found, and investigating all criminal incidents on campus.

## **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. It includes the following departments:

- Communications and Marketing serves the college by developing marketing plans, advertising and social networking sites. This area also manages the LCC websites and promoting and programming for the college radio (WLNZ) and LCC-TV.
- Government Relations and Grant Development (for information on specific grants, see the section titled FY2018 Active Grant Funds Detail, beginning on [page 107](#)).
- LCC Foundation Office raises money for critical college programs and for scholarships that help students with financial need while recruiting excellent students, celebrates and reconnects with alumni and helps keep the community and economy strong by supporting education.

## **Financial Services**

The Financial Services Division is responsible for the business functions of the College, including management of college finances, administration of the financial aid process, long-range forecasting and annual resource allocation process, bi-weekly payroll, administration of college-wide purchasing, and billing and collections on student accounts. This area maintains financial records and collaborates with areas of the college that affect its financial position. The departments are:

- Accounting
- Financial Aid
- Financial Planning, Analysis and Review
- Financial Services Administration
- Payroll
- Project Management and Business Analysis
- Purchasing
- Student Finance

## **Human Resources**

The Human Resources Division addresses the human resource needs of the more than 2,300 employees of the College. The goal of the Human Resources Division is to attract, hire, develop and retain the very best talent possible. The division works as an integrated team to provide comprehensive human resources services covering the following areas:

- Compensation and Benefits
- Employee Wellness
- Hiring and Orientation



- Labor Relations
- Performance Management
- Organizational Development

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

The Information Technology Services (ITS) Division includes five departments working together to provide and sustain dependable, accessible, and responsive computing services to the LCC community. The ITS departments are:

- Enterprise Systems has the primary responsibility for the development and support of LCC's management information systems as well as for college-wide applications.
- Information Security is responsible for implementation and monitoring of information security policy and the continued assessment of the security of LCC computer systems to protect the college from internal and external threats.
- ITS Project Management – a department charged with managing new and ongoing projects related to Information Technology.
- Technical Infrastructure Support Services provides technical support for computers and telecommunications as well as installing, upgrading and maintaining college software and hardware.
- Technology Support Services - provides the first line of assistance to students, faculty and staff. The Help Desk and computer labs are in this department, as well as 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 administration and legal counsel.

# **STRATEGIC PLANNING**

## **LANSING COMMUNITY COLLEGE**

### **Strategic Planning**

#### **Background**

LCC has over 280 programs. Each unit (division, department, program, etc.) has specific goals that support the mission, vision, strategic plan and Board of Trustees' goals. During budget deliberations, each request for funding change requires justification using these criteria.

The mission of LCC is captured in the Mission statement, Vision, Motto, Guiding Principles and the Board of Trustees' Governance End Policies (see [page 78](#)). In summary, LCC is to be a learning-driven, comprehensive community college.

As part of developing the strategic plan, the Board reviewed Governance Policy E-100 Mission, Vision and Motto. Three different Mission Statements were presented to various community stakeholders at numerous locations throughout the region. The new Mission statement represents the highest supported themes in aggregate. The Board adopted the new Mission Statement in December, 2016. The Vision and Motto remained unchanged.

**Mission: Lansing Community College provides high-quality education ensuring that all students successfully complete their educational goals while developing life skills necessary for them to enrich and support themselves, their families, and their community as engaged global citizens.**

**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 employers, 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 within major divisions;
- Analyzing financial factors; and,
- Reviewing the College’s quality improvement performance.

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 provided input for creative strategies and integrated planning processes.

### ***Learn Forward* – LCC’s Strategic Plan and Progress**

The College’s three-year Strategic Plan, “*Learn Forward*,” was adopted March, 2013 for 2013-2016. The Strategic Plan addresses the rapid changes in higher education and outlines strategies for the college to further its goals in recruitment and enrollment, student completion, and curriculum improvements that prepare graduates for success in their careers and their lives. This plan articulated specific initiatives designed to meet challenges and move the College forward. It outlined how the College would position itself for the future and focused on these core areas:

1. **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.

2. **Engaged 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.
3. **Student Success** - LCC provides excellent student support services that facilitate retention, goal completion, engagement, and success.
4. **Community Engagement** - LCC builds and enhances mutually beneficial relationships with community partners.
5. **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.
6. **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.

Following the adoption of the 2013-2016 Strategic Plan, the college formed cross-functional teams comprised of administrators, faculty and staff to implement each of the strategies. Year 3 of Lansing Community College's Learn Forward Strategic Plan for 2013-2016 saw significant progress across each of the six areas of focus. Updates listed below are displayed with applicable areas of strategic focus in parenthesis.

- **Academic Advising and Student Success (focus 3)**

LCC is developing a new advising structure to promote student success. This includes:

- ✓ Developing criteria for a case management approach and exit
- ✓ Full Academic Success Plans for all students
- ✓ Integrating technical solutions such as Degree Works and Customer Relationship Manager
- ✓ Designing and implementing an attendance tracking tool
- ✓ Designing and implementing Degree Works course exceptions and substitutions functionality

- **Alumni Connections (focus 4)**

Engage alumni to reconnect them to college programs, highlight success stories and invite greater financial investment.

- **Assessment of Student Success Efforts (focus 3)**

The Committee for Assessing Student Learning is working to identify key performance indicators and develop assessment metrics and predictive analytics regarding student behavior and need.

- **Applause! Employee Recognition Program (focus 5)**

LCC implemented an informal employee recognition program Applause! to recognize exceptional customer service. The program is open to all employees, including student employees. Recipients are showcased in the STAR e-newsletter and entered for a monthly gift drawing.

- **Centre for Engaged Inclusion ( Focus 2,4,5)**

The Centre for Engaged Inclusion engages the campus and Lansing area in building an equitable and inclusive community through intellectual exploration and collaboration.

- **Classroom in a Minute Videos (focus 1, 3)**

This project allows students to engage with LCC in a 24/7 virtual climate through short videos designed to provide students with a taste of particular courses before enrolling.

- **Coalition for College and Career Readiness (focus 3,4)**  
LCC launched the Coalition for College and Career Readiness (C3R) to ascertain the gap between high school and first-year college and career readiness skills. The coalition includes K-12 and postsecondary education, business and industry, workforce development and community partners.
- **College 101 (focus 2,3,4)**  
This student led transformative service-learning program creates a sense of belonging for all students involved. It support underserved first generation college going high school students, using best practices for retention and success.
- **Community Engagement Surveys (focus 4)**  
LCC is using data from multiple survey instruments to chart next steps that preserve and grow LCC's relevance and value proposition in the community. For example, the diversity and inclusion survey lead to further diversity training.
- **Community Engagement Communications (focus 4,5)**  
LCC is creating and implementing a communications plan to reflect the college's community engagement activities and the wide range of services available to the community. This includes developing a central clearinghouse to track all LCC collaborative relationships and activities.
- **Faculty Institute (focus 2,3)**  
In collaboration with Center of Teaching Excellence, the Faculty Institute helps faculty develop strategies to engage and retain students, based on effective teaching processes.
- **Guided Pathways – My Academic Pathways (MAP) (focus 2,3)**  
LCC is working to provide al LCC students with access to an affordable, achievable, well-structured and market-relevant guided pathway to completion. The Degree Works templates based on Guided Pathways program maps are complete, and advisors will ensure each student will have access during their first semester to a MAP spanning their entire academic career.
- **HLC Accreditation (focus 2)**  
HLC reaffirmed LCC's college-wide accreditation in July, 2016. Program accreditations are ongoing.
- **Leadership Academy (focus 5)**  
A new Leadership Academy was developed and implemented in 2015, designed to elevate the skills of current LCC leaders in the areas of Leadership, Diversity, Communication, Teambuilding, Change Management and Ethics, with the overall goal of producing leaders who truly master the skills necessary to lead employees in serving the students of LCC.
- **Men About Progress (Men of Color) (focus 3,4)**  
This program focuses on young men of color who attend LCC, providing mentoring and academic support services.
- **Multi-Year Forecasting/Budgeting in All Funds (focus 6)**  
Fiscal year 2017 budgets have been developed for auxiliary and plant funds, and three-year forecasts for those funds are in process.
- **New Administrator Training (focus 5)**  
The expanded training now includes aspiring administrators, helping to strengthen the colleges efforts at succession planning.
- **Open Educational Resources (OER) (focus 1,3,6)**  
LCC is one of 11 universities and colleges chosen for the OpenStax Institutional Partnership program. This program has the potential to significantly reduce student textbook expenses. LCC developed a



strategic plan to implement the program by June 30, 2017. LCC began an OER initiative during 2015. Over the last two years, students have saved an estimated \$1.3 million.

- **Operation 100% (focus 1,2,3,4,5,6)**  
Operation 100% is an extensive and ambitious initiative, which aims to guide every student to their graduation or transfer goals in a timely, affordable fashion. The progress of Operation 100% is demonstrated through many of the other initiatives throughout this report that are components within Operation 100%.
- **Open Learning Lab (OLL) (focus 1,2,3)**  
The E-portfolio model has expanded to include several courses and faculty members, as well as an idea bank connected to the Integrated Learning project. OLL has facilitated integrated learning and will soon have a role in the Equity program.
- **Partnership between Academic Senate and LCC Marketing (focus 5)**  
Working in conjunction with Operation 100%, efforts have been made to effectively communicate Guided Pathways for academic degrees, certificates and programs to current students, the Lansing community and potential students. The partnership has included the “web refresh” process.
- **Plan of Study (focus 2)**  
Faculty is engaged in a comprehensive review of all curriculum, with Plans of Study developed and defined for all but three programs.
- **Quarterly Review of All Control Issues (focus 6)**  
LCC responds to both internal and external audit recommendations, as well as other external monitoring review recommendations. This includes updating and improving internal processes as needed.
- **Speaker’s Series (focus 1,5)**  
Created in 2014 as a professional development opportunity for all employees, presenting on topics focusing on improving employee competencies and skills related to leadership and professional development, strengthening cross-organizational dialogue and information sharing.
- **StarScapes Student Showcase (focus 1,4,5)**  
Designed to showcase LCC student work in Science, Music, Film, Art, Performance and more, the third annual StarScapes event saw an increase in participation.
- **Star Talks Annual Series (focus 1,4,5)**  
Star Talks showcases LCC employees who have modeled/implemented ideas and practices that contribute to a positive or innovative LCC culture. Presented during Professional Activity days in May, the talks are videotaped and posted to LCC’s YouTube channel for internal and external consumption.
- **Student Connections with Community (focus 3,4)**  
LCC will create opportunities for students to connect with the community through activities such as job shadowing, service learning, volunteer opportunities and internships.
- **Student Employee Orientation (focus 5)**  
New employee orientation has expanded to include student employees, who now receive the same information as other LCC employees. Participants also now receive a welcome Star Pack with a lanyard, badge holder, badge reel and parking pass holder.
- **Program Analysis Process (focus 6)**  
LCC’s Office of Financial, Administration and Advancement (FAA) provides the Center for Data Science appropriate financial information for the program review process. FAA staff attend kickoff and exit meetings for programs under review to provide input.

- **Usability of Student-Facing Systems (focus 3,5)**

LCC plans to build and implement a student portal that will integrate college data sources to provide students with visual and informative progress reporting. LCC will also streamline the registration processes and will develop a new online application to operate in mobile environments.

- **Welcome and Introduction Pilot (focus 5)**

A supplementary new employee intake process, includes specific expectations for a culture of collaboration, consensus building, support and integrated communication. The pilot program has been modified and expanded, based on new employee feedback, for its second year in the Arts & Sciences Division. The pilot will be assessed and modified to set a best practices model for other areas of the college.

The 2013-2016 strategic plan has now expired. Administration conducted a needs assessment to develop the next three-year strategic plan. Forum discussions were held with employees and students to gather input on what they felt were challenges and opportunities for the college. The information was used to develop a strategic plan that was presented to the Board at May's regular meeting. The key focus areas remain consistent with the previous plan with the exception of combining Engaged Learning and Student Success. The Board did not act on the strategic plan, deciding to discuss it at a retreat before voting. Learning remains at the heart of LCC's efforts with the Operation 100% initiative serving as further dedication to the institution's commitment to prioritize students and their success above all else.

### **The Higher Learning Commission and Accreditation through the 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 a method to reaffirm accreditation. AQIP is premised on principles of continuous quality improvement. It allows an organization to demonstrate that it meets accreditation criteria through "action projects" that align with the ongoing activities of an institution striving continuously to improve its performance. Since 2001, the College has maintained its accreditation through AQIP.

In June of 2014, the Higher Learning Commission changed the AQIP pathway by replacing the four year cycle with an eight-year cycle and by revising the AQIP categories to those listed below in this section. The cycle includes a Systems Portfolio assembled by the institution to answer specific questions for each of the AQIP categories. At the end of the eight-year cycle, HLC conducts a comprehensive Quality Review as part of a broader comprehensive evaluation to ensure that the institution is meeting accreditation criteria, pursuing continuous improvement and complying with certain U.S. Department of Education (DOE) requirements. of The DOE is pressuring HLC to be very stringent during accreditation reviews, in light of the emphasis on performance indicators throughout the nation.

The culture of continuous quality improvement at LCC is derived from the following AQIP categories established by AQIP through which LCC maintains accreditation:

1. Helping Students Learn
2. Meeting Student and Other Stakeholder Needs
3. Valuing Employees
4. Planning and Leading
5. Knowledge Management and Resource Stewardship
6. Quality Overview focuses on Quality Improvement.

LCC underwent a Comprehensive Quality Review from HLC, resulting in reaffirmation of accreditation on June 27, 2016 for the next ten years. The review team evaluated LCC on five core competencies and found that the core criteria was met in each one with no concerns expressed by HLC on all criteria and core components. The final report states (in part) that a culture of Continuous Quality Improvement is “most notably demonstrated through Operation 100%. This bold plan is focused on student persistence, retention, and completion. Campus wide engagement in Operation 100% demonstrates LCC’s commitment to creating an experience that promotes each student achieving his/her stated goal.” The core competencies are:

- Criterion One: Mission. The institution’s mission is clear and articulated publicly, it guides the institution’s operations.
- Criterion Two: Integrity. Ethical and Responsible Conduct. The institution acts with integrity, its conduct is ethical and responsible.
- Criterion Three: Teaching and Learning: Quality, Resources and Support. The institution provides high quality education, wherever and however its offerings are delivered.
- Criterion Four: Teaching and Learning: Evaluation and Improvement. The institution demonstrates responsibility for the quality of its educational programs, learning environments, and support services, and it evaluates their effectiveness for student learning through processes designed to promote continuous improvement.
- Criterion Five: Resources, Planning and Institutional Effectiveness. The institution’s resources, structures, and processes are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities. The institution plans for the future.

The AQIP process requires that, in addition to submitting a systems portfolio and undergoing a Comprehensive Quality Review, participating organizations attend strategy forums and have at least one Action Project underway at all times. Projects must be connected to AQIP categories and information about them must be shared. AQIP Action Projects completed in the last five years are:

- Education Development Plans in Support of Retention and Goal Achievement
- Strategic Alignment Initiative
- Strategic Challenges - Environmental Assessment
- Emergency/Safety Action Plan
- Institutional Data - Closing the Loop

- Addressing the Needs of Adult and Transitional Learners
- Academic Senate

LCC's current, active AQIP Action Projects are:

### **All AQIP categories: Institutional Assessment – Phase III**

Phase I – AY2015/16 – Bolster and test LCC's Assessment System to align student learning outcomes to impact. Conduct needs assessment, then create a detailed project plan.

Phase II – AY2016/17 – Add student learning inputs and processes to Assessment System. Student learning inputs will include student characteristics, faculty characteristics and content quality. Student learning processes include Program of Study, General Education, Developmental Education and Course review and assessment processes.

Phase III – AY2017/18 – Add student learning systemic variables that represent the supporting Divisions and Departments that influence student learning, such as, Advising, Orientation, Financial Aid, Placement, Community Education & Workforce Development, and Student Services. Integrate technology solutions into assessment processes. Conduct a meta-evaluation of the assessment system. Synthesize learning outcomes at impact level.

### **Meeting Student and Other Key Stakeholder Needs – Improving Processes and Related Documentation – Phase II**

This project addresses feedback for the latest Systems Portfolio related to a lack of systematic processes throughout the college. LCC desires to become a college with an integrated systematic plan for creating a culture of documentation and key process improvement. Phase I (completed in June, 2015) focused on identifying a master inventory of college-wide key processes, creating a standardized approach to documenting them and piloting this approach with two college-wide processes. Phase II will continue this work and focus on documenting key processes that have been identified on the master list and are aligned with strategic initiatives currently underway. Specifically, five key processes, assessment, advising, guided pathways, balanced scorecards and Argos reports, are addressed in Phase II.

### **Helping Students Learn – Guided Pathways - Phase I**

Guided Pathways is one of four major projects under the umbrella of Operation 100% - LCC's customized student success initiative. The Guided Pathways project encompasses mapping programs, defining default course sequences and prescribing appropriate general education and elective options, establishing Career Communities (Meta-majors) for survey courses, cohort style orientation sessions, predictable scheduling, contextualized general education, and tracking of student progress.

Most community colleges offer a wide variety of programs and typically provide little guidance to help incoming students. Despite the fact that many new students enroll

without clear goals for college and careers, choosing a program of study and developing a plan for completing it is left in the hands of these unprepared students. Since LCC's students are faced with these issues as well, the Guided Pathways project was introduced to help students get and stay on track, maximizing transfer possibility and achievement of certificates and/or degrees, while being affordable and efficient.

LCC is redesigning academic programs and support services to create more clearly structured and educationally coherent program pathways. To ensure that program learning outcomes are aligned with the requirements for success, LCC has engaged faculty and staff in this redesign process. The following outcomes are expected in Phase I:

**Program Outcomes** - program faculty to complete a rubric of how program courses support program outcomes, then place program outcomes into a structure that demonstrates flow of outcomes from courses to programs to the institutional outcomes for student achievement.

**Program Maps** – each program of study at LCC will have a completed program map consisting of the 6 key components: program description, list of careers and salaries, sequences, critical courses, academic and nonacademic milestones and information on baccalaureate transfer and other further education opportunities. Ultimately, a 2-year course schedule will result from this work

**Career Communities** - Advising in Student Affairs will begin establishing cohort-style orientations based on one of five Career Communities: Arts & Communications, Business, Management & Technology; Engineering/Manufacturing & Industrial Technology; Health & Public Services; or Liberal Arts

### **Helping Students Learn – Academic Success Coaches - Phase I**

Academic Success Coaches are a component of LCC's comprehensive student success initiative, Operation 100%. They support the strategic mission of the College through collaboration with faculty, financial aid and academic advisors, counselors, LCC employees and community partners by providing individualized support and advocacy to assist our students. They mentor and help students navigate their college experience to facilitate the completion of their educational, personal and career goals during their attendance at LCC.

**Phase I – Onboarding and Training** – Identify the various trainings necessary for each new Academic Success Coach. Establish the Standard Operating Procedures for the Success Coaches. Develop a Success Coach Toolkit. Communicate the addition of success coaches to ensure that all internal stakeholders understand the role of the coaches and how to access their services. Develop a Customer Relationship Management system to input data, monitor success plans, communicate outreach and use other tools identified for assisting students.

## **Gateways to Completion (G2C)**

In November, 2013, Lansing Community College was selected by the John N. Gardner Institute for Excellence in Undergraduate Education to be one of 13 Founding Institutions for the pilot of the Gardner Institute's Gateways to Completion™ (G2C) initiative. G2C is a structured, evidenced-based improvement process developed by the student success experts at the John N. Gardner Institute for Excellence in Undergraduate Education with the added insight of a National Advisory Committee comprised of 32 entities (such as higher education organizations, accreditors, policy makers, and scholars). The G2C structured course transformation process focuses on transforming key courses so as to increase the likelihood of student success in them, the G2C initiative seeks to increase graduation rates among American college students.

LCC has been recognized by the Gardner Institute as a leader in this project, presenting at both statewide and national conferences. Two college-wide recommendations arose from LCC's work and both have been implemented. The first is a policy that all faculty provide students with early and regular feedback in a centrally located digital space that is accessible by students 24/7. The second is a completely online process for student-teacher evaluations, providing feedback to faculty that allows them to make desired adjustments before the next semester begins.

Gateways to Completion functions in a three-year cycle. In FY2014 (Year 1), five key, foundational gateway courses were selected; self-studies were conducted; and action plans for improving student success were formulated. In FY2015 (Year 2), LCC implemented the action plans, monitoring and reporting results. During FY2016 (Year 3), LCC evaluated and further refined our implementation.

Course level action plans for the first three-year cycle focused on five "Gateway" courses: foundational, high-risk (non-completion rates 30% or greater) and high enrollment courses in several disciplines: ACCG 210, BIOL 121, HIST212, MATH112, WRIT121. Strategies for improvement included:

- ALL COURSES
  - developing a method for speedier delivery of student-teacher evaluations at semester's end
  - requiring faculty to provide early and often feedback using a centralized, digital grading tool that provides ongoing grades to students
- ACCG210, Principles of Accounting I
  - increasing access to tutoring and supplemental instruction
  - providing feedback earlier in the semester
- BIOL121, Biology Foundation for Physiology
  - aligning learning outcomes
  - recruiting under-represented student populations for STEM
- HIST212, U.S. History: 1977 to Present



- reviewing syllabi course-wide to ensure consistency
  - analyzing course assessment data to improve teaching and learning
- MATH112, Intermediate Algebra
  - designing and implementing a mentoring system for new instructors
  - updating and disseminating a Math Library Guide
- WRIT121, Composition I
  - revising Learning Outcomes and means of assessing them.

Improving excellence and student success in these key courses will make an impact on our retention and completion rates, not just these courses, but in all the courses, transfer trajectories, and degrees that those courses impact or influence. For more on reported results in this area, see [page 38](#), "Performance Measurements"

In a comprehensive status update to the Gardner Institute, these items were reported:

1. **Required use of Desire2Learn (D2L)** - Beginning in Spring 2016, a digital gradebook available to all students 24/7 is required through a policy "Governing Gradebooks".
2. **Connecting Better with High Schools** – LCC's Coalition for College and Career Readiness continues to partner with area high schools in order to align high school student exit competencies with college entrance expectations. Another development in this area is the redesign of our Advising System via Operation 100%.
3. **Teacher Evaluation Process** – Student feedback is available to teachers as soon as grades are submitted by virtue of a completely digital IDEA teacher feedback model.
4. **Online Student Success** – An online learning consultant was utilized in 2014 and a college committee has been formed.
5. **Setting a Clear Course Sequence for Students** - Five Career Communities (Meta-Majors) have been defined under which each program of study will fall. Orientations will be developed to focus on students' selected Career Community. Program outcomes have been aligned to the Essential Learning Outcomes. Degree Works has been implemented so that students have a technologically-based interface that is accessible over the web 24/7 to track their progress towards a degree and run "what if" scenarios to understand where they would be if they changed majors. A link is provided for course descriptions for the courses they have yet to take.
6. **Matching Pedagogies to Rooms** – Faculty can specify what type of room is preferred through the use of a new form.
7. **Service Learning** – The new Chief Diversity Officer is preparing to launch a comprehensive service learning component.
8. **Early Student Interventions** – My Academic Pathway is a project requiring a unique blending of new advising processes and procedures with the very best of our technologies and technological infrastructures. A new student application

system will collect useful information allowing LCC to use predictive analytics to properly support students. A student portal will be developed that will show an individual student's progress toward degree completion, along with any holds or red flags on their progress, and connections to resources that will help them complete.

9. **Student Diversity** – the college has created a position, Chief Diversity Officer and hired an individual to focus on inclusion.
10. **One Book One LCC** – In its second year, this campus-and-community inclusive event has gained momentum from its first year.

For the current three-year cycle, three additional gateway courses were selected to improve:

1. CITP110, Introduction to Computer Programming – high Drop, Withdraw, Fail and Incomplete (DWFI) rate; gender imbalance; first vocational course selected for improvement
2. MATH121, Pre-Calculus I – high DWFI rate; targets STEM majors
3. SOCL120, Introduction to Sociology – high DWFI rate; demonstrates a gap between students of color and white students.

### **Operation 100%: Achieving Excellence in Student Learning and Success at Lansing Community College**

The goal for Operation 100%, LCC's customized student success initiative, is 100% completion for students in degree, certificate, and/or transfer pathways. The motto is "100% success through 100% inclusion."

LCC has been working diligently in recent years to develop consistent and effective processes, and to ensure that data is used in decision-making at all levels. Operation 100% incorporated input from multiple stakeholder groups, was developed in conjunction with Gateways to Completion (G2C) efforts, and has a foundation in LCC's student success data. It is being used as the Academic Master Plan, providing an umbrella structure for all of the college's student success efforts.

Operation 100% is complex and comprehensive. Each student follows an affordable, achievable, well-structured, market-relevant, guided program pathway to goal completion. Students have access to multiple learning modalities and schedule options that meet their diverse needs. Students receive relevant, individualized, and timely support. Students always know their status/progress. This project includes:

- Development of carefully designed guided program pathways containing only those options that lead to student success, as well as integrated general education offerings;
- Development of an automated registration process to help keep students on track and to ensure that they receive timely support;

- Cutting-edge intake, orientation, and advising processes, including a newly designed advising model that includes academic success coaches and support networks for students;
- A new application built using predictive analytic questions to help the college understand students' strengths and challenges and assign appropriate support for all students, even prior to the students taking classes;
- A college-wide web refresh and the creation of personalized web pages ("student portals") for each student, which will enable students to see a dashboard indicating their progress towards completing their certificate or degree and which will contain items of interest tailored to meet the needs of the individual student;
- Radical transforming of the College's approach to delivering developmental education in order to increase students' ability to enroll in college-level coursework early;
- Other cutting-edge practices for ensuring student success.

Four major projects, their goal statements and launch dates are listed below:

1. **Guided Pathways** - LCC program pathways help students get on track and stay on track, maximizing transfer possibility and achievement of certificates and/or degrees. Program pathways are affordable and efficient.
2. **Web Refresh** – LCC's public website is intriguing, engaging and helpful. It gets users where they need to go. This project's concept includes personalized web pages (Student Portals) for each student, enabling them to see a dashboard indicating their progress towards completing their certificate or degree and containing items of interest tailored to meet the individual needs of that student.
3. **My Academic Pathway** – LCC's customer service provides students with a customized, personal, keenly attentive learning experience.
4. **Advising** – LCC's advising system connects students to the College's support team that facilitates focused, passionate learning and excellence in student achievement.

In October, 2016, an update on Operation 100% was provided to the Board. This report focused on Recruitment and Outreach and entering the college. Among other accomplishments, the following was achieved:

- A structured pathway was created that included the ability to accomplish applying to the college, orientation, academic advising, financial aid assistance, registration and campus tour;
- August and September 2016 saw significantly decreased wait time during peak enrollment, compared to Fall 2015. There was a 30% decrease in "number of visits per student", during Fall 2016 peak compared to Fall 2015;
- Seven specific Recruitment and Outreach activities were listed. The list included college nights and college fairs, an Historically Black College & University event, and in-district schools outreach.

Given the costs of implementing guided pathways, as well as the difficulties inherent in carrying out such all-inclusive reform, why would LCC's leaders choose to undertake these major changes in college practice? While many college leaders certainly want to increase rates of student success, some who have led guided pathways transformations have also cited the following as reasons to pursue guided pathways transformations despite the costs:

- Increasing restrictions on financial aid - particularly limits on the number of semesters students are eligible for Federal Pell Grant and Federal Subsidized Loans and stricter rules regarding the types of courses financial aid will cover are putting pressure on colleges to help students move through college more quickly and to intervene more aggressively to help students at risk of dropping out. Guided Pathways is designed to keep students on track to achieve their goal of employment or transfer.
- Performance Funding - the adoption of performance funding in many states reflects the growing desire of policymakers to see colleges improve outcomes. Reforms to discrete programs have not led to significant improvements in institutional performance. Guided Pathways reforms are comprehensive and thus more likely to lead to the sought-for improvements in completion rates.
- G2C transformation outcomes to date in founding institutions:
  - increases in first-to-second term retention rates
  - decreases in numbers of students in poor academic standing
  - increases in A, B, and C grades, with corresponding decreases in D, F, W and I grades
  - lower course repetition rates
  - higher performance in the next course in the sequence.

## **Performance Measures**

The performance of colleges and universities is under ever-increasing scrutiny. Nowhere is this more evident than in the realm of student success. Public concerns over affordability, the advancement of the Completion Agenda, and policy changes such as performance-based funding make improving students' academic success an institutional imperative. Allowing students to be "weeded out" by failing first and/or second-year college-level and developmental education courses is unacceptable, as it does not promote further study and success.

The discussion regarding student success, retention, completion and pertinent performance measures for community colleges receives much attention at both federal and state levels. At the federal level, Achieving the Dream (the Lumina Foundation) and Gateways to Completion (John Gardner Institute) are working to leverage policy areas that support data-informed performance measurement and accountability systems using robust common measures that enable benchmarking of both state and institutional performances. The Voluntary Framework for Accountability established by the

American Association of Community Colleges and the National Community College Benchmarking Project are working on a cross-system alignment of expectations, standards and assessments among community colleges.

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 since FY2013. Each year, performance measures are recalculated according to the most recent data. Early on, the Michigan Community College Business Officers Association led discussions among the 28 community colleges to agree upon and recommend performance measures to the state that are reasonable, robust and identify gaps related to student success. 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 56-57](#) and *Impacts on FY2018 Budget Planning* [pages 60-66](#).

A key component of strategic planning involves measuring results, evaluating results and adjusting strategy. The Academic Senate at LCC created a standing sub-committee, the Committee for Assessing Student Learning, to support and blend evidence-based decision making, program improvement and accountability. Recognizing that the design of an integrated assessment system is a long-term endeavor, the committee created an Assessment Plan spanning the three-year period of 2015-2018, utilizing the Balanced Scorecard approach. Phase one in FY2016 conducted a needs assessment and created an assessment framework. Phase two for FY2017 focused on Co-curricular and General Education Assessment, while Phase three in FY2018 continues co-curricular assessment and an impact evaluation.

LCC adopted the Association of American Colleges & Universities four essential learning outcomes, listed below, as institutional outcomes:

- Knowledge of human cultures and the physical and natural world;
- Intellectual and practical skills, such as inquiry and analysis, critical and creative thinking written and oral communication, quantitative and information literacy, and teamwork and problem solving;
- Personal and social responsibility;
- Integrative and applied learning.

## **Benchmarking**

LCC began participation in two major benchmarking projects during FY2014. The Voluntary Framework of Accountability (VFA) and the National Community College Benchmarking Project (NCCBP) provide an opportunity for the College to compare various key institutional metrics with other similar schools around the nation. While LCC's participation in both initiatives is relatively new, it will allow the College to identify any global effects experienced by other community colleges and truly understand if

changes are related to specific initiative or if the changes cannot be separated from national trends.

NCCBP allows members to create national, regional, and peer comparison reports for any year they participate. There are 260 two-year institutions. This project will provide the most useful information three to four years into LCC's participation when there is enough data to identify system-wide trends. Currently, LCC is in the third year of participation.

The key findings from the 2016 annual Data Feedback Report provided to LCC by the National Center for Educational Statistics follow. IPEDS data is used to compare to 24 colleges of comparable size including the following Michigan community colleges: Grand Rapids, Henry Ford, Macomb Oakland, Schoolcraft and Wayne County.

- LCC exceeded its comparison group in the number of sub-baccalaureate credentials awarded in all categories (2014-15).
- LCC's full-time and part-time retention rate was above that of its comparison group.
- LCC's transfer-out rate exceeded that of its comparison group.

See comparative data for fall-to-fall retention rates through the IPEDS data Center below:

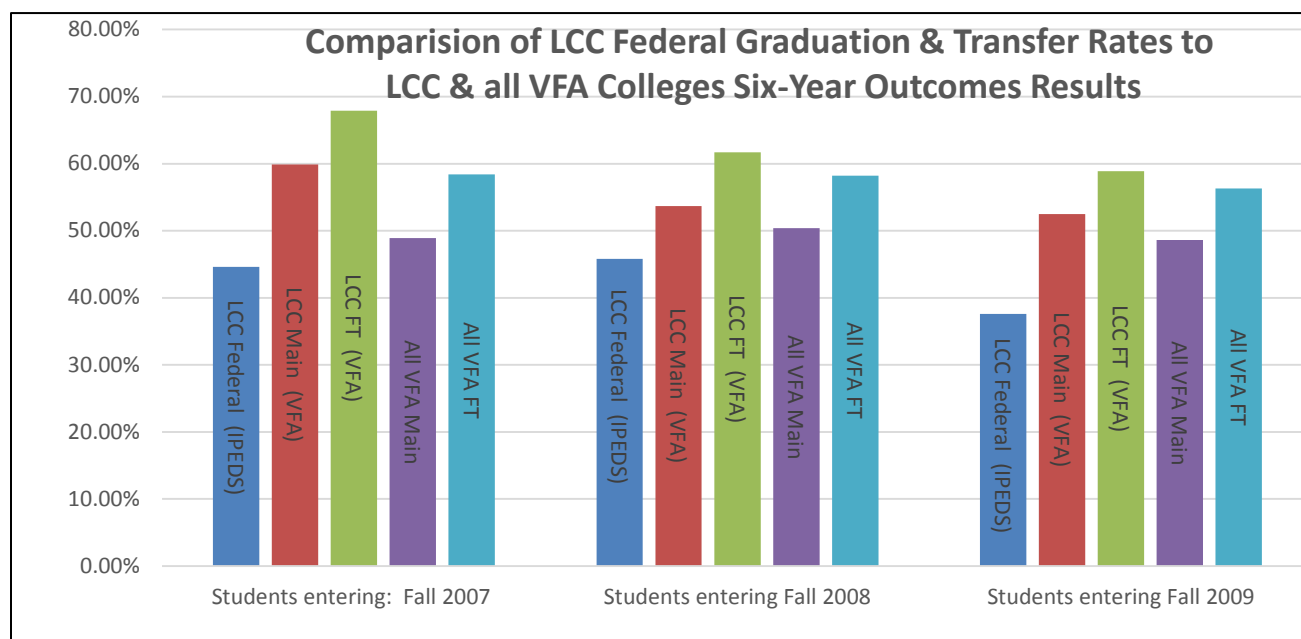
<b>Retention, First Time Students Fall 2010 to Fall 2015 Cohorts</b>		
<b>Full Time Students</b>	<b>LCC</b>	<b>Comparison Group</b>
Fall 2011 to Fall 2012	54%	52%
Fall 2012 to Fall 2013	59%	55%
Fall 2013 to Fall 2014	59%	58%
Fall 2014 to Fall 2015	62%	59%
<b>Part time Students</b>	<b>LCC</b>	<b>Comparison Group</b>
Fall 2011 to Fall 2012	40%	39%
Fall 2012 to Fall 2013	42%	39%
Fall 2013 to Fall 2014	46%	41%
Fall 2014 to Fall 2015	48%	42%

It is important to note that IPEDS bases its metrics only on first time (new), students. This is problematic for many community colleges because it does not capture the complexity of the student body. Full-time students currently account for about 1/3 of LCC's student body and many students shift between full and part time status from semester to semester. LCC's fall-to-fall retention rates have outperformed the IPEDS comparison group (comprised of large public 2-year colleges in the Midwestern states) in both full time and part time categories for the four academic years specified in the chart above. When using IPEDS data to benchmark with other colleges, the system's advantage is that all participants have a clear set of definitions allowing for cleaner comparison of several metrics. Although a particular metric may not tell the story for



each school, it is provided relative to similar institutions so each school can see how they compare within these subsets of the population.

VFA was developed and launched by the American Association of Community Colleges to create a set of measures that better encompasses and describes performance towards the broad mission of community colleges. It includes Developmental Education and Technical Education Measures, and Non-credit Workforce Course as measurement categories. This framework is fairly new (FY2016 is the third year of full-scale national deployment) and typically tracks results in two and six-year outcomes. Because of many factors, including that most community college students do not attend full-time, a six-year outcome will demonstrate a much better completion and transfer rate. A more complete report is publicly available, but an important indicator is the comparison between the LCC Federal Graduation Rate (from IPEDS) to the VFA Outcomes for LCC (see graph and chart below):



Cohort	Students entering Fall 2007	Students entering Fall 2008	Students entering Fall 2009
● LCC Federal Cohort (IPEDS)	44.60%	45.80%	37.60%
● LCC Main Cohort (VFA)	59.90%	53.70%	52.50%
● LCC Full-Time Cohort (VFA)	67.90%	61.70%	58.90%
● All VFA Colleges Main Cohort	48.90%	50.40%	48.60%
● All VFA Colleges /Full-time Cohort	58.40%	58.20%	56.30%

- Total Earned Awards includes Bachelor's and Associate Degrees and certificates
- Federal Graduation Rate Cohort - Fall entering, first-time, full-time degree-seeking students
- LCC Main Cohort - Fall entering, first time at reporting institution "all students"
- LCC VFA Full-Time Cohort - Fall entering, first time at reporting institution. Full-time
- All VFA Colleges Full-time - Fall entering, first-time at reporting institution, Full-time
- All VFA Colleges Main Cohort- Fall entering, first-time at reporting institution, "all students"

LCC is achieving student success, as defined by awards or transfer, at a much better rate than the IPEDS data might suggest, since our students might take longer than two years to complete. LCC is also performing well when compared to the other VFA colleges nationwide.

More recently, in Academic Year 2015-16, the college developed a Baldrige-based balanced scorecard (BSC) with key institutional processes or indicators identified to guide the work and focus of the College's Executive Leadership Team (ELT). This initial scorecard includes a clear definition of how each metric is calculated, how often it will change, and which comparable benchmark date we will use (with source, if available). Where benchmarks are not available, baseline values are being calculated during the first year of the BSC.

### **Perkins Core Indicators**

President George W. Bush signed the Carl D. Perkins Vocational and Technical Education Act of 2006 into law on August 12, 2006. The Act calls for an increased focus on the academic achievement of career and technical education (CTE) students who have participated in CTE courses for 240 hours or more (CTE concentrator), strengthening connections between secondary and postsecondary education, and improving state and local accountability.

Under Perkins IV, states are required to report annually on core indicators of performance. The Consolidated Annual Report is submitted by the state each December to the federal government outlining those activities undertaken with the Perkins funding and how well the state did in meeting its objectives, goals, and expected state levels of performance as outlined under the Act. States are also required to report disaggregated data on the performance of students in special population categories described in the law, as well as gender, race and ethnicity.

The Perkins IV core indicators for post-secondary institutions are:

**1P1 Technical Skills Attainment** - Percentage of CTE Concentrators who have passed technical skill assessments aligned with industry standards during the reporting year.

**2P1 Credential, Certificate or Diploma** – Percentage of CTE Concentrators who have received an industry-recognized credential, a certificate or a degree during the reporting year.

**3P1 Student Retention or Transfer** – Percentage of CTE Concentrators who remain enrolled in their original post-secondary institution or transferred to another 2- or 4-year postsecondary institution and who were enrolled in postsecondary education in the fall of the previous reporting year.

**4P1 Student Placement** – Percentage of CTE Concentrators who were placed or retained in employment, or placed in military service or apprenticeship programs in the 2<sup>nd</sup> quarter following the program year in which they left postsecondary education.

**5P1 Nontraditional Participation** – Percentage of CTE Concentrators from underrepresented gender groups who participated in a program that leads to employment in nontraditional fields during the reporting year.

**5P2 Nontraditional Completion** - Percentage of CTE Concentrators from underrepresented gender groups who completed a program that leads to employment in nontraditional fields during the reporting year.

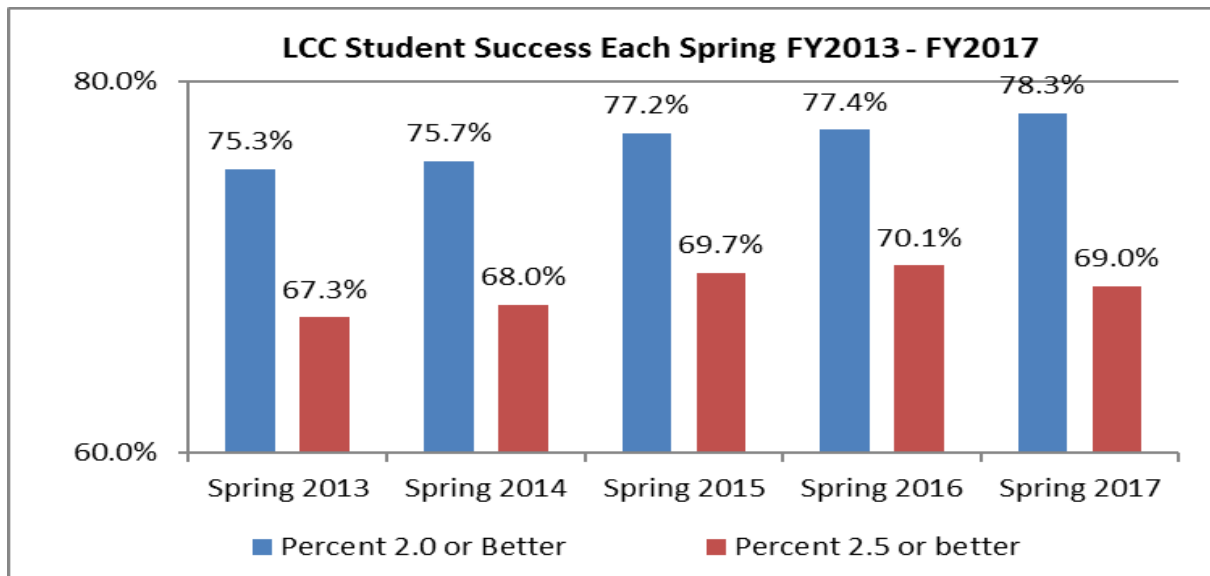
Any institution failing to meet at least 90% of any of their established performance targets are required to develop and implement an improvement plan to make substantial progress in meeting the purpose of the Perkins Act. LCC's performance statistics for the most recent five years are shown below. For all years, LCC met, exceeded or was within 90% of the state's expected level for all categories except 2011-12 5P2 (highlighted in pink).

#### **LCC Perkins Core Indicators (in percentages) and Trend Line 2011-2012 through 2015-2016**

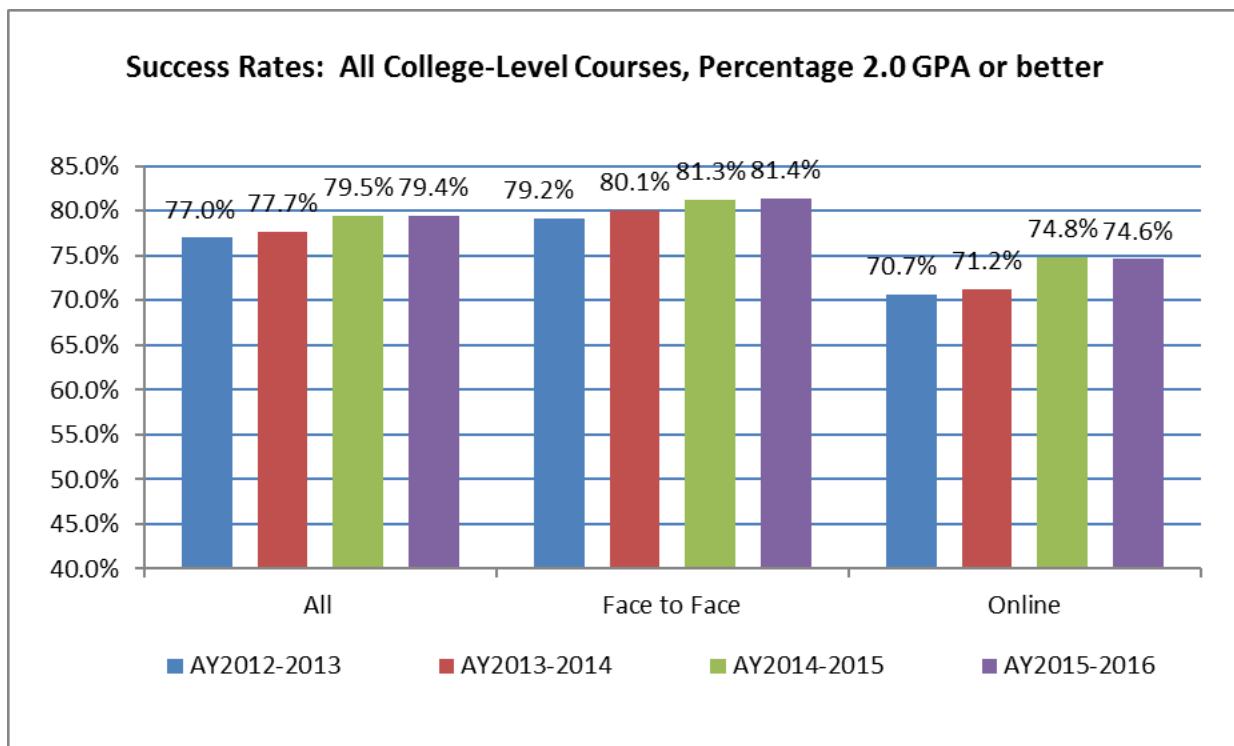
### **Lansing Community College - Other Metrics**

Student success is a broad term that, based on context, can have a wide range of definitions. In this report, a grade of 2.0 or higher is used to calculate the successful completion courses across the college. This is not always the ideal definition as some programs require a higher grade than 2.0 to transfer or progress; however, it does allow the College to use common criteria to gauge successful completion and high-level trends as an institution.

The graph below shows data for Spring semester students for 2013 through 2017. During this time, the percentage of students achieving a 2.0 or better has continued a trend of moderate year-over-year improvement while students achieving a 2.5 or better saw a slight drop in 2017.

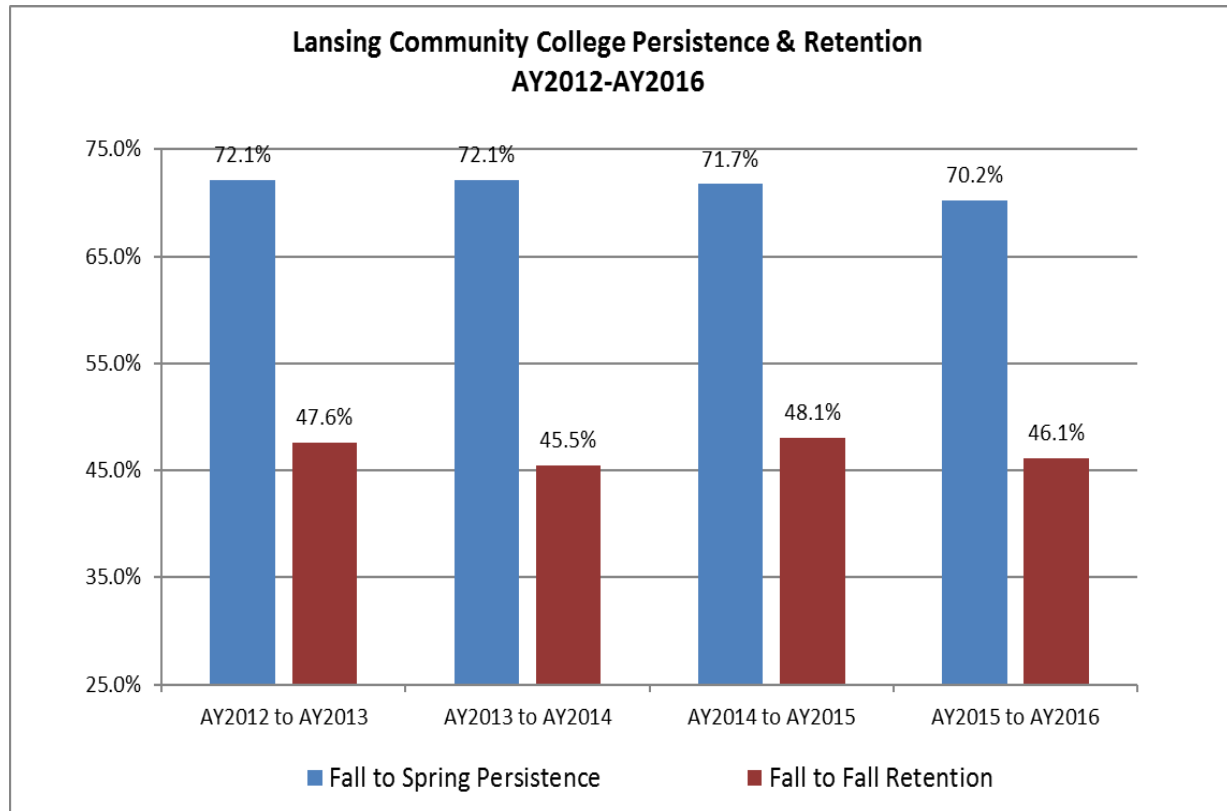


Looking at college-level course success rates by delivery mode reveals that success rates have increased since AY2013 in each mode of delivery except online, which shows a slight decrease for AY2016 (see below).

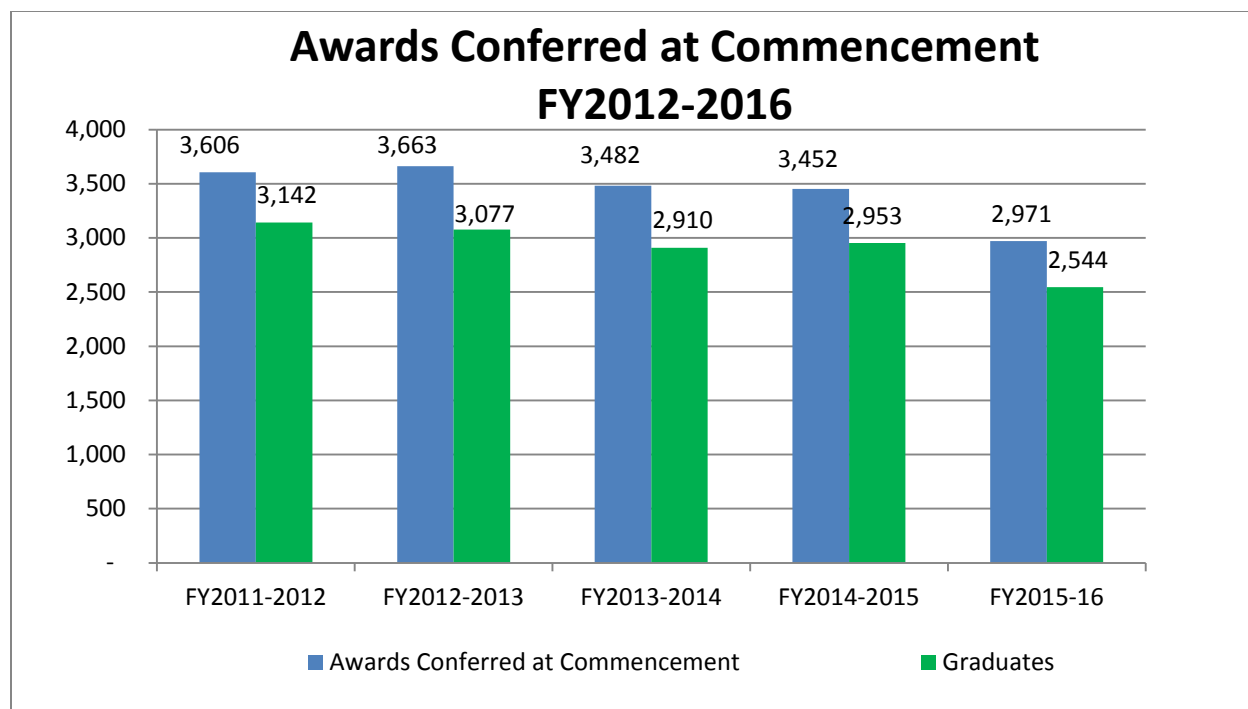


Persistence (students enrolling in Fall term and returning the subsequent Spring) and retention (students enrolling Fall term of one academic year, then returning the next Fall) are important measures for LCC. This number can be influenced not only by students dropping out of LCC, but also by those students who transfer to another

school, or graduate in the spring semester, or students who have not quit, but are not taking classes in the Fall. Persistence and retention have varied by less than 2 percentage points over the last four academic years. Data for AY2017 is not yet available.



Shown in the graph below are the counts of awards and graduates. Fiscal Year (FY) encompasses summer term of the first year indicated in the FY through Spring term of the last year indicated. These values are left as counts and not percentages because, depending on many factors, a student might be identified in one or more of these categories.

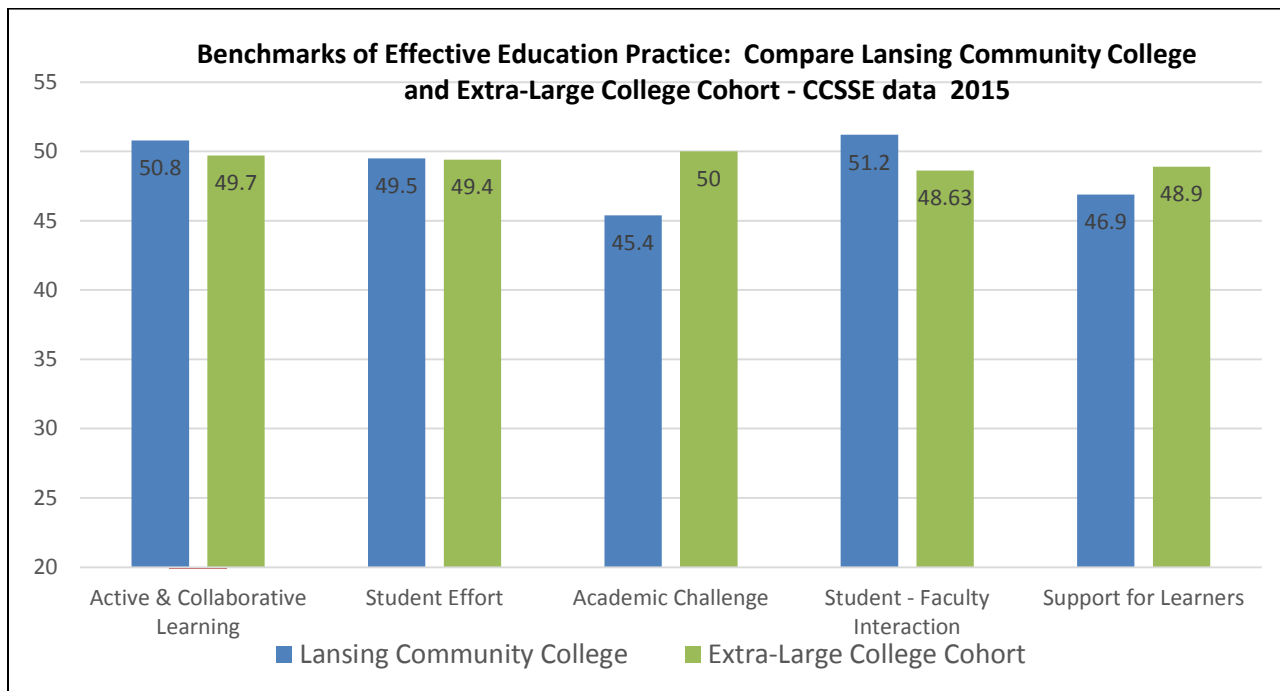
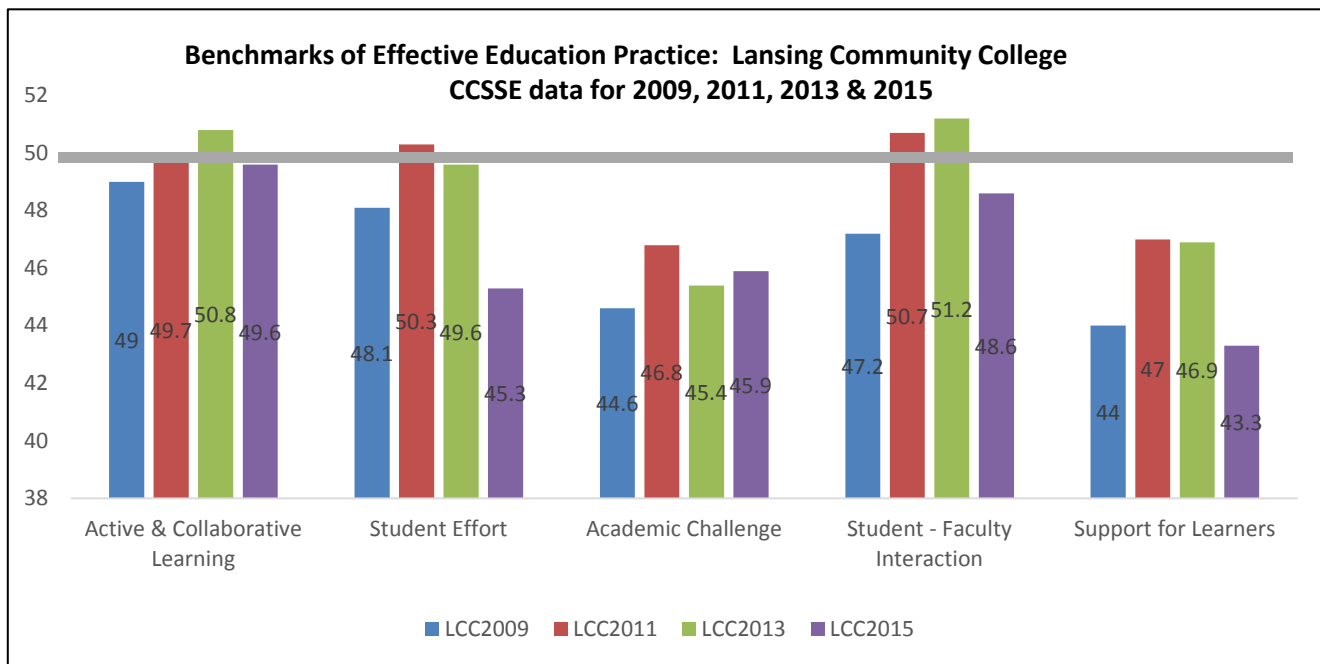


### Lansing Community College Survey of Student Engagement

LCC uses the Community College Survey of Student Engagement (CCSSE) as another method of measuring performance on the following five benchmarks of effective educational practice:

- Active and Collaborative Learning;
- Student Effort;
- Academic Challenge;
- Student-Faculty Interaction;
- Support for Learners.

The CCSSE 2015 Cohort is comprised of 704 institutions, 75 of which are considered extra-large (15,000 + credit students). The charts below compare the 2015 (most recent available) data for LCC with previous results and with the extra-large college cohort. The scores are weighted aggregates of several questions on the survey relating to the five benchmarks. The CCSSE is administered in random credit courses by time of day. All benchmarks are normed to a mean of 50.0. According to the benchmark scores, LCC falls near the mean score in the area of Active and Collaborative Learning, considered by CCSSE validation research to be, "the most consistent predictor of student success across studies and across measures... Active and collaborative learning is linked with higher grades and course completion measures as well as long-term persistence and degree completion."



LCC performed most favorably on questions in the area of Active and Collaborative Learning and Student-Faculty Interaction; least favorably on questions in the area of Support for Learners.

# **THE BUDGET AND STRATEGIC PLANNING CONTEXT**



## BUDGET AND PLANNING CONTEXT

There are multiple external factors which significantly impact the financial planning of Lansing Community College and its overall strategic planning. These factors range from:

- 1) changes in the economic environment within which the College is located and operates (local, state and national);
- 2) rising retirement and health care insurance costs;
- 3) changes in student demographics and occupational choices and trends; and,
- 4) changes in federal and state legislation. This environment provides a very challenging context for the College's budget.

In March, 2017, a two-year financial forecast (summarized below) was presented to the Board. The forecast projected a balanced budget for FY2018 and included a \$5 increase in the In-District tuition rate. The following assumptions underlie these projections:

- State Appropriations: 0.7% increase in State in FY2018, 2% in FY2019, FY2018 based on the Governor's recommendation
- Property Taxes: 3.3% increase in FY2018; 2% in FY2019, based on slight economic improvement
- Student Fees: \$13,000 increase for FY2018, based on recommended changes
- Enrollment decrease: 9.5% decrease for FY2018; 3.2% decrease for FY2019
- In-district Tuition increase: \$5 for FY2018, increase needed to maintain service levels
- Services and Supplies: 0.5% in FY2018 (utilities, custodial, insurance and supplies); 2.5% in FY2019
- Scholarships, Transfers, and Contingency: (9.5%) in FY2018; (0%) in FY2019, based primarily on changes to debt service schedule in FY2018

Financial Projections FY2018 and 2019				
Category	FY2018 (in thousands)	Change from FY2017	FY2019 (in thousands)	Change from FY2018
<b>Revenue</b>	<b>\$ 126,032</b>	<b>(0.9)%</b>	<b>\$125,717</b>	<b>(0.2)%</b>
Salaries and Benefits	\$86,110	0.9%	\$87,961	2.1%
Services and Supplies	\$ 21,286	0.5%	\$21,819	2.5%
Scholarships, Transfers, Debt Service and Contingency	\$ 18,626	(9.5)%	\$18,621	0.0%
<b>Total Projected Expenses</b>	<b>\$ 126,032</b>	<b>(0.9)%</b>	<b>\$128,401</b>	<b>1.9%</b>
<b>Projected Deficit (in thousands)</b>	<b>\$0</b>		<b>(\$2,684)</b>	<b>(2.1)%</b>

## **Recent National 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.

Many fundamental economic factors remain well below their prerecession peaks, and even factors that have recovered have done so more slowly than after almost any other post-World War II recession. As of the first quarter of 2017, the economy had been in recovery for 31 quarters after the recession trough in the second quarter of 2009. Four other recoveries since World War II lasted 31 quarters or more, and at this point the current recovery is less than half as strong as the average of those recoveries and the economy is sending mixed signals about the possibility of continued growth at recent rates or of slowing, now that the recovery is fairly mature.

The economy has averaged only 2.1% annual growth since the end of the recession, compared with an average of 4.4% annual growth over the other three recoveries of 31 months or more since World War II. Consumption expenditures, which on average account for two-thirds of economic activity, also have exhibited weak growth relative to historical standards during the majority of the recovery, with the current recovery averaging 2.3% annual growth, compared with a historical average of 4.3% growth. Furthermore, consumption growth has been offset by the contracting government sector, which has declined at an average annual rate of 0.9% compared with the historical average of 3.3% growth.

Housing construction, which counts as residential investment rather than consumption spending, continued to improve in 2016, although it remains weak by almost any

historical measure – roughly matching housing start levels during the 1979-1982 and 1991 recessions. Housing starts totaled 1.17 million units in 2016, the seventh consecutive annual increase in starts and a 5.2% increase from 2015. However, 2016 represented the 14<sup>th</sup>-weakest year of housing starts (based on data available back to 1959) above the eight-year 2008-2015 period and the recession years of 1975, 1981, 1982 and 1991. Housing starts in 2016 also were 43.4% below the prerecession peak of 2.1 million starts in 2005.

The unemployment rate fell from a peak of 10.0% in October 2009, to 4.5% in March 2017. However, through 2013, the labor force grew much more slowly than the working-age population and declines in the unemployment rate often reflected a stagnant or declining labor force as much as increased employment. As of September 2014, total employment nationwide had surpassed the prerecession peak of November 2007 and the March 2017 level of total employment set an all-time record. Nevertheless, labor force participation during 2016 remained at the same 40-year lows experienced during 2015.

Although consumption has returned to its historical position of accounting for the majority of growth in the economy, the improvement in consumer spending is less than what would be expected given wage growth. Consumption is also being offset by other sectors of the economy (most notably investment and net exports), and has been financed by increased borrowing, particularly since mid-2014.

### **Recent Michigan Economic Highlights**

Michigan's economy spent the 2000-2010 period in recession, largely driven by the same fundamental restructuring that affected manufacturing globally. Michigan's manufacturing sector experienced, and continues to experience, a significant surge in productivity driven by increased competition in the economy. For Michigan, the effect of productivity improvements has been substantial for at least three reasons: 1) there was more room for productivity improvements in the durable goods and motor vehicle manufacturing sectors than in many other sectors, 2) Michigan was, and remains, very disproportionately concentrated in motor vehicle manufacturing, and 3) the motor vehicle industry has 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 most of the last decade; thus, Michigan lost jobs as a result of both higher 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.

The drag from the manufacturing sector on Michigan's economy largely bottomed out in 2010 and the recovery in vehicle sales nationally has helped Michigan's economic situation. Manufacturing employment in Michigan rose by 146,000 jobs (34.5%) between June 2009, when the U.S. recession ended, and December 2014, or

approximately 2,300 jobs per month. Employment in the transportation equipment manufacturing sector increased by 65.3% between June 2009 and December 2014, accounting for 69,000 (46.1%) of the manufacturing jobs Michigan gained and 18.2% of the total jobs added in Michigan over that period. Like total manufacturing employment, Michigan transportation equipment manufacturing employment is growing more slowly, with the growth rate declining from a 5.4% increase in 2014 to a 4.6% gain in 2015, to a 3.6% increase in 2016. As of March 2017, seasonally adjusted transportation equipment manufacturing in Michigan was down 0/2% from the March 2016 level. Total Michigan payroll employment has consistently averaged about 2.0% year-over-year growth since January 2015. Since the end of 2015, most sectors of the Michigan economy have exhibited more rapid employment growth than the U.S. as a whole.

The Michigan unemployment rate declined from a high of 14.9% in June 2009 to 4.8% in May and June 2016. The unemployment rate rose slightly since then, reaching 5.2% in February 2017. The decline between June 2009 and May 2016 was partially attributable to the departure of approximately 145,100 individuals from the labor force in addition to the employment gain of 360,000 jobs. Almost half of the employment gain, representing 179,850 jobs, occurred during 2013 and 2014.

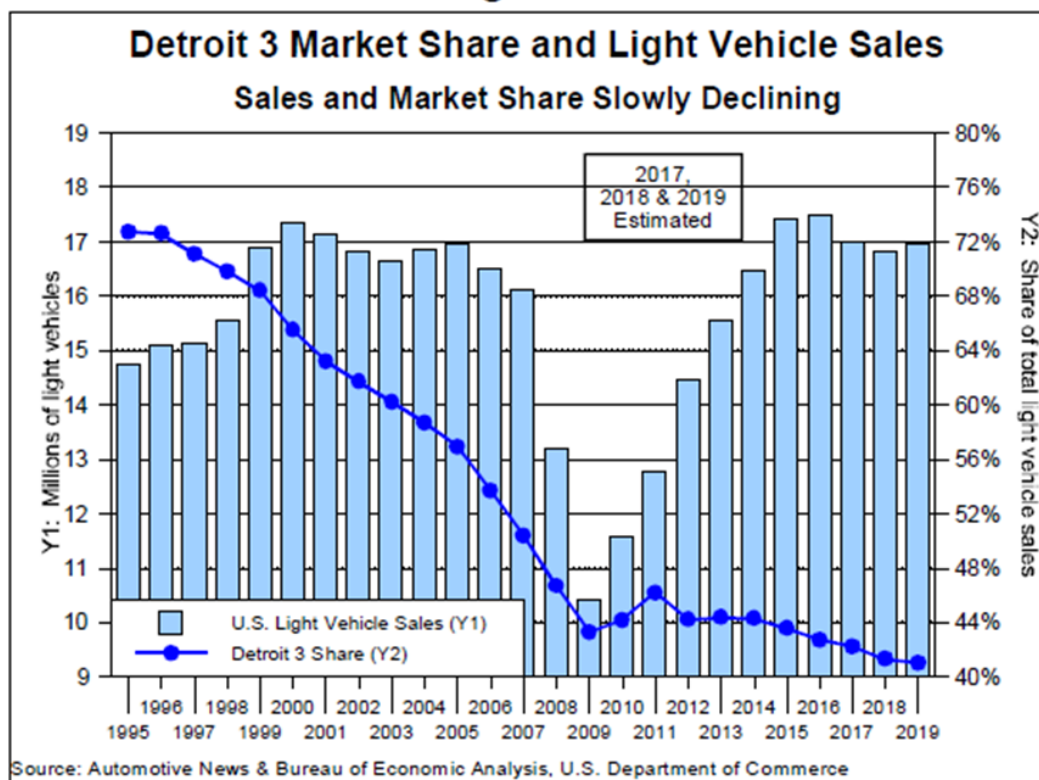
While the Michigan unemployment rate has declined since 2009, reduced labor market participation has played a greater role in lowering the Michigan unemployment rate than what has occurred in the national rate. Job gains have helped reduce the unemployment rate, but a significant factor causing the unemployment rate to decline since 2009 has been the withdrawal of individuals from the labor force. Individuals who have a job or are actively seeking work are counted as participating in the labor force, and the unemployment rate reflects the number of individuals who do not have a job and are actively seeking work divided by the size of the labor force.

During 2017, the U.S. economy is expected to expand at a moderately faster rate than during 2016. The U.S. and Michigan economies are forecast to exhibit both income and employment growth during 2017 and later years, although Michigan is generally expected to grow more slowly than the nation as a whole. The expansion over the forecast period primarily reflects stable consumption growth and slowing residential investment combined with stronger business investment in 2017 and 2018 that will more than offset the drag on the economy from increased imports, slow growth in exports, and relatively stagnant public sector growth.

Employment gains over the forecast period will be muted, particularly compared with prior recoveries, because, while productivity growth is expected to be less than what was exhibited during the last decade, consumer demand is not likely to grow much more rapidly than productivity. Furthermore, business investment is expected to focus on equipment and software, which generally replace capital for labor.

While over the last decade Michigan's employment situation 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) experienced weaker job performance during the last decade, 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.

For Michigan, both employment gains and improvements in economic growth will be restrained by stable-to-declining vehicle sales and because the vehicle manufacturing sector is expected to continue to exhibit strong productivity gains...Compared with the prior decade, the Detroit 3 share of the sales mix is expected to decline somewhat (see below) due to the strong dollar making imported vehicles comparably less expensive. Michigan's economic fortunes historically have been very closely linked with sales of domestically produced light vehicles. While that reliance has declined, (for example, in 1998 wages and salaries from transportation equipment manufacturing represented 11.8% of total Michigan wage and salary income, compared to 5.7% in 2015), Michigan is still heavily dependent on manufacturing – particularly motor vehicle manufacturing – and far more dependent than any other state in the country.



### Current Economic Environment

The Michigan economy, as measured by inflation-adjusted personal income, is estimated to grow 1.2% in 2017, 2.4% in 2018 and 2.0% in 2019, after rising 2.0% in 2016. Wage and salary employment is predicted to continue growing, increasing 1.3% during 2017, 0.6% in both 2018 and 2019, compared to 1.9% growth during 2016.

Inflation is not anticipated to be a concern over the forecast period, largely due to anticipated success the Federal Reserve will have containing inflationary pressures. The U.S. Consumer Price Index is anticipated to increase 2.5% in 2017, followed by increases of 2.0% in 2018 and 2.2% in 2019.

Compared with the January 12, 2017, Consensus Economic Forecast, forecasted U.S. economic growth in both 2017 and 2018 is slightly stronger, while the Michigan forecasts predict continued growth, but compared to the January 2017 forecasts, the growth rates diverge due to the geographic distribution of weaker light vehicle sales and slightly higher levels of productivity growth. High vehicle sales levels, although lower than in 2016, and stronger profitability in Michigan's vehicle sector, will provide stability to the Michigan employment situation - even if Michigan grows more slowly than the U.S. as a whole.

LCC's leadership has remained firm in their stance to keep tuition rates low, in accordance with the mission to keep education affordable. For over a decade, 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, and under the state average tuition rate for all 28 Michigan community colleges (see graph and chart below and see [page 116](#), Michigan Community College Business Officers Association Tuition and Fees Survey for more information on tuition increases by college).

FISCAL YEAR	LCC \$ Increase	LCC In-District Tuition	LCC % Increase	State Avg Increase	State Avg In-District Tuition	State Avg % Increase
2015	\$2	\$85	2.4%	\$4	\$98	4.3%
2016	\$3	\$88	3.5%	\$5	\$103	5.1%
2017	\$11	\$99	12.5%	\$3	\$106	2.9%
2018	\$4	\$103	4.0%	\$5	\$111	4.4%

With tuition and fees accounting for nearly 40% of the revenue mix and limited options available to diversify revenue sources, the college finds itself at the intersection of decreasing student demand, increasing costs, and decreasing revenue.

As an economical post-secondary education option, LCC is well positioned to attract a diverse group of students. In the past, community colleges have been able to attract students because of their low cost and accessibility. But today, they have more competition from other institutions (including for-profit colleges), and they are under greater scrutiny by students who are assessing the costs and labor market benefits of attending college. High potential targets include those who are looking for a less-expensive post-secondary education option than four-year institutions, 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 their field. 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 and dual-enrollment programs.

LCC bargaining employees are represented by six labor unions. Faculty, all under one bargaining unit, have an agreement that is effective through June 30, 2020. Full and part time support staff have an agreement that also is effective through June 30, 2020. Capital City Labor Program, LCC Chapter members and administrators each have separate agreements that expire June 30, 2021 and MEA Facilities Maintenance Association has an agreement that expires June 30, 2019.

### **Michigan's Revenue Forecast**

In fiscal year (FY) 2016-17 General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue will total an estimated \$22.6 billion, up 2.1% or \$462.7 million from final FY2015-16 revenue and \$150.3 million below the January 2017 consensus estimate.

In FY 2017-18, GF/GP and SAF revenue is expected to total \$ 23.3 billion, a 2.9% or 653.8 million from the revised estimate for FY2016-17 and \$55.2 million below the January 2017 consensus estimates.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY 2016-17, FY2017-18, and FY2018-19  
May 15, 2017 Senate Fiscal Agency, State of Michigan

### **State Appropriations**

The increasing desire for accountability and performance measures caused the state to tie appropriations to performance formulas for the first time in FY2013, when a funding formula including a performance-based segment was implemented for community colleges. During FY2016 a Task Force made recommendations regarding performance indicators; identified the most appropriate and reliable metrics available and determined the most efficient methodology for connecting state funding to these indicators. The task force consisted of members of the Michigan legislature, one member from the

Michigan Department of Technology, Management and Budget, four presidents of Michigan Community Colleges, four Michigan Community College CFO's (including LCC's CFO). The Michigan Community College Association selected the Community College representatives.

For FY2018, as in FY2017, the Performance Indicators Task Force recommendations were utilized for the appropriations formula:

- 30% base allocation for sustainability. The model includes a baseline increase for each college that recognizes ongoing costs that each college incurs for operations;
- 30% based on contact hour completions. The metric recognizes course enrollment and the establishes a new weighting for health and technology programs (2X that of other programs) recognizes higher costs for those programs;
- 30% based on Performance/Completions replacing the FY2016 weighted degree/completions component that received 17.5% of the funding for FY2016. This component will award 10% each to the following three metrics:
  - ✓ **Performance Improvement** based on improvement in six-year average rates of completions (Completions include certificates, degrees and transfers). Colleges with improved rates receive a share of 20% of the funding from this category, while 80% of the amount is distributed to all 28 colleges based on prior year (across the board);
  - ✓ **Performance Completion Number** based on a college's proportionate share of completers relative to statewide completions, using IPEDS data (Completions include certificates and degrees);
  - ✓ **Performance Completion Rate** based on measuring the college's performance relative to all 28 in Michigan using two cohorts based on six-year completion rates (Completions include certificates, degrees and transfers). Colleges furthest above the average get the largest portion of 20% of the funding from this category, while 80% of the amount is distributed to all 28 colleges, based on prior year (across the board). Colleges at or below the statewide average get none of the 20% shared by those above the average.
- 5% based on Administrative efficiency. Colleges with lower administration costs (represented as a percentage of their operating expenditures) receive a larger portion of funding from this category;
- 5% based on Local Strategic Value (defined as meeting four of five defined best practices). Colleges are required to certify how they meet each best practice measure.

Colleges must actively participate in and submit timely updates to the Michigan Transfer Network in order to receive any performance funding. The Michigan Transfer Network allows students to know how their credits will transfer in and out to other Michigan postsecondary education institutions.



The increasing unfunded cost of health care for retirees in the Michigan Public School Employees Retirement System (MPERS) has been an ongoing concern, instigating a MPERS employer contribution rate rising from 16.54% in 2008 to 25.30% in 2013. In 2012, legislation was passed to reform MPERS Retirement. Participating employees had to select options 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. As a result, the overall rate of increase has slowed considerably.

An appropriation from the School Aid Fund of \$1.73 million for community colleges was included for the first time in FY2013 for the purpose of offsetting the increase in MPERS retirement contributions attributable to the increase in retiree health costs. Distributions for that year were on an across-the-board basis. Since then, this funding is continued each year, and is distributed in proportion to each college's total MPERS-covered payroll.

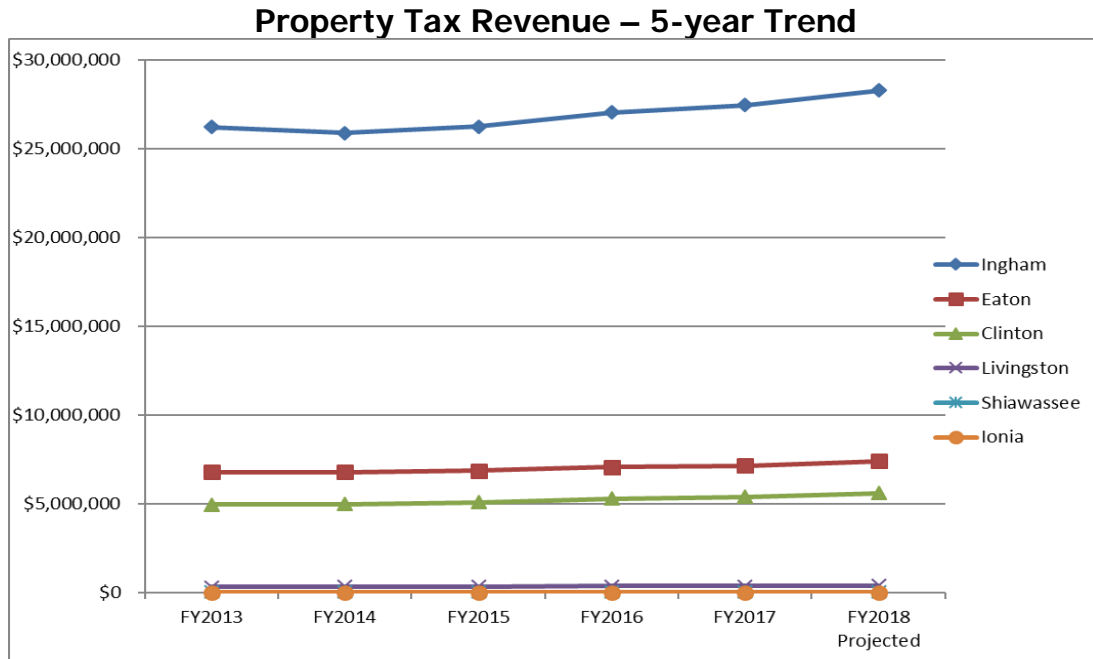
### Property Tax Revenue Trends

Lansing Community College derives its property tax revenues from six contiguous counties. Property tax revenues provide a significant portion of the total revenues for the College. Prior to FY2007, property tax revenues were higher than any other source of revenue for the College accounting for 37% of total revenue in FY2007. Since then its share of total revenues has steadily declined to approximately 30.4% in both FY2016 and FY2017; then increased slightly to 32.3% in FY2018. Two factors account for this trend. The first is the lack of significant growth in the property tax base. The second is the change in the percentage of the levy that is deemed uncollectible.

**Property Tax Revenues by County**

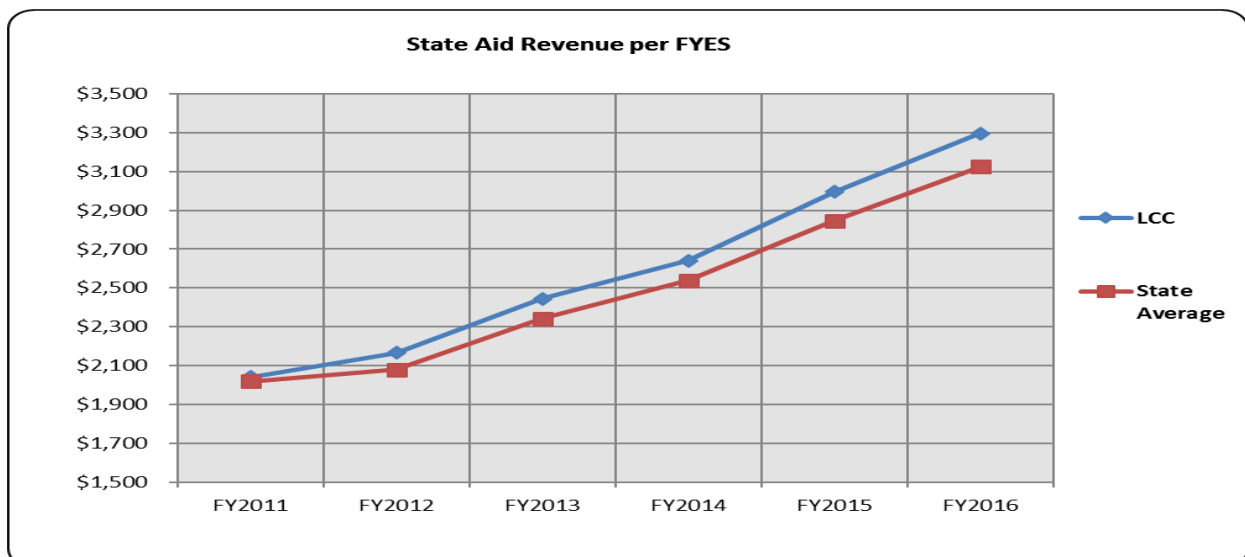
COUNTY	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 Projected
Ingham	\$26,206,000	\$25,870,500	\$26,225,000	\$27,022,200	\$27,436,100	\$28,267,000
Eaton	\$6,787,500	\$6,781,200	\$6,867,500	\$7,066,800	\$7,137,100	\$7,419,000
Clinton	\$4,954,300	\$4,990,600	\$5,078,300	\$5,283,100	\$5,408,500	\$5,611,000
Livingston	\$334,500	\$345,900	\$351,800	\$370,600	\$381,600	\$389,000
Shiawassee	\$29,000	\$28,600	\$28,800	\$30,000	\$30,500	\$31,000
Ionia	\$22,700	\$22,600	\$22,900	\$23,000	\$23,600	\$24,000
Total	\$38,334,000	\$38,039,400	\$38,574,300	\$39,795,700	\$40,417,400	\$41,741,000

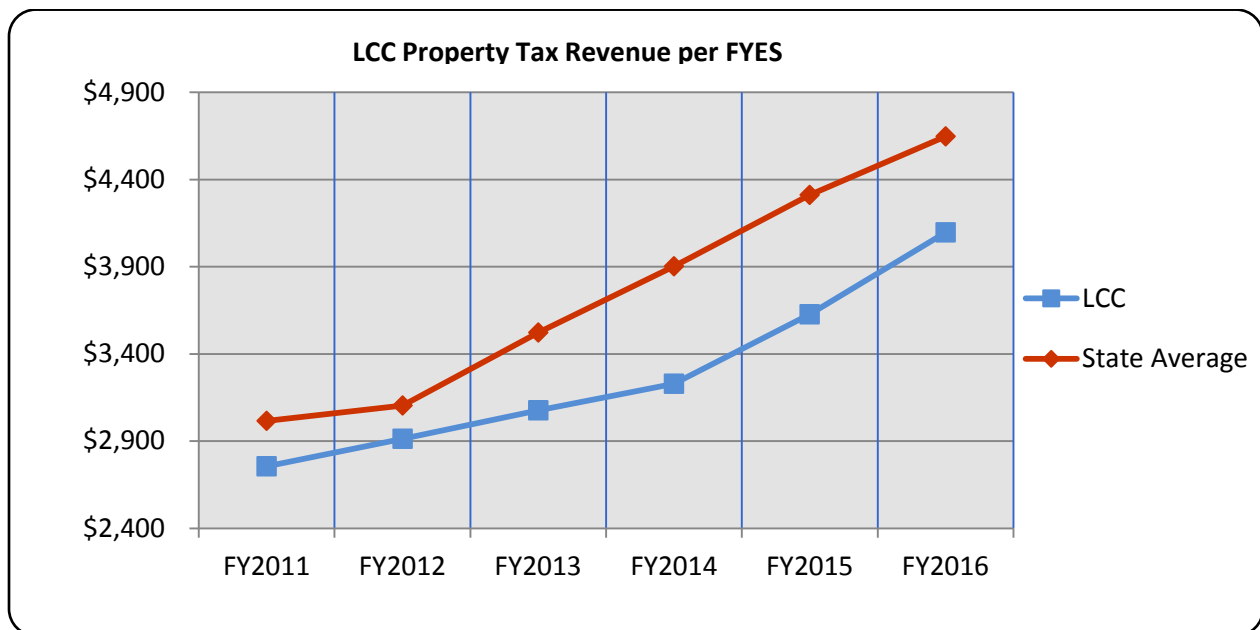
The recent downturn in the Michigan economy and the shift in manufacturing employment continued to have a detrimental impact on the real estate market, to which a national housing crisis added a slump in property values. The result was a decline in taxable valuation, which in turn resulted in a decline in property tax revenues until FY2015. The five-year history of property tax revenues by county clearly shows this trend prior to FY2015, when a slight upturn in totals began and is expected to continue through FY2018.



The second factor having a negative impact on the College's revenues derived from property taxes is also related to the economic environment. Until FY2007, at least 50% of the outstanding property tax at the end of the fiscal year was ultimately collected. After FY2007, however, the rate of collection has worsened and since then only 25% of the outstanding, uncollected prior-year levied taxes is deemed collectible.

All community colleges are affected by uncertain, stagnant or declining public revenues per Fiscal Year Equated Student (FYES). Lansing Community College has mirrored the state average since FY2012. In FY2016, LCC State Aid Revenue per FYES is \$3,296, slightly above the state average of \$3,123. The latest available data (ACS 2015-16 Data Book & Companion) is represented 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. Out-of-district student contact hours over the five year period from FY2006-FY2010 increased by 11%, 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 58% in-district hours. (For more information on LCC's student demographics, see Selected Statistics [page 111](#)). Tuition and fees revenue decreased 5.9% for FY2015 and another 4.6% for FY2016. Based on projections, this revenue source will increase by 1.7% over FY2017's experience. The FY2018 adopted budget assumes an enrollment decrease of 9.5% from FY2017's adopted budget, but, assumes a tuition and fees revenue increase of 5%.

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 FY2012, 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 to reduce revenue and expenses by \$4.5 million was adopted in FY2012, to accommodate enrollment decline. The table below shows that every year since FY2012 has experienced declines in all four measures of enrollment. Currently available estimates for FY2017 indicate a further decline of 8.4% in credit hours.

### Five-Year Enrollment Trend 2012-2016

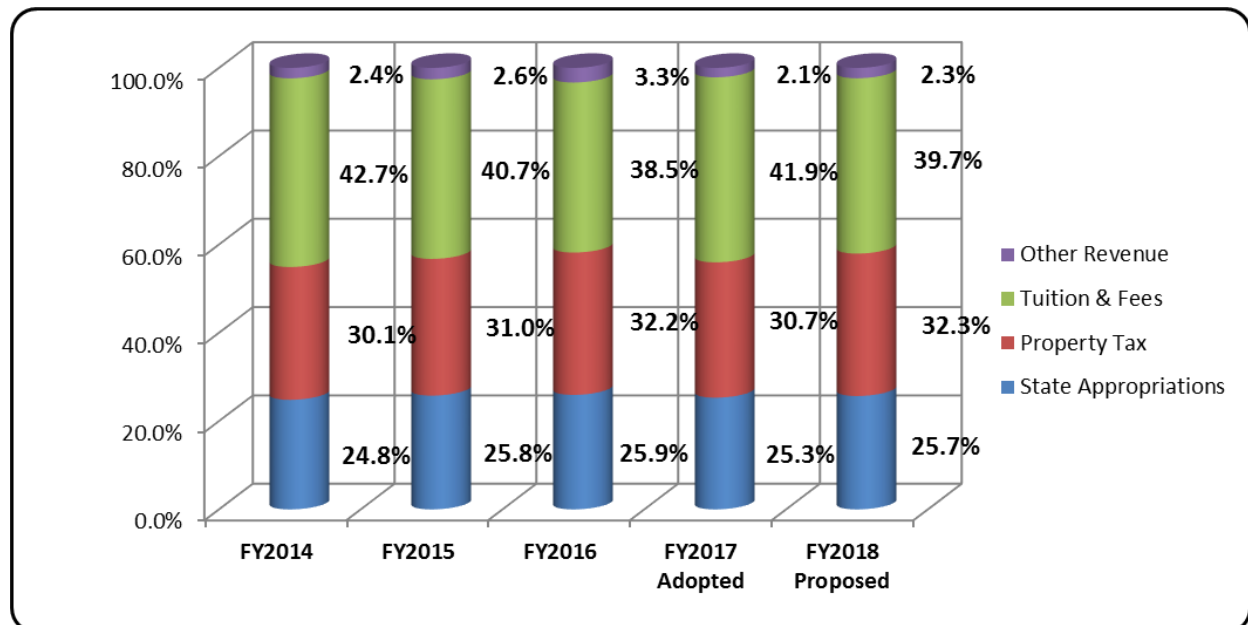
Enrollment	FY2012	FY2013	FY2014	FY2015	FY2016
College (unduplicated head count)	31,042	29,245	27,734	25,574	25,527
Full-time Equivalents	13,232	12,124	11,374	10,313	9,570
Total Credit Hours	410,190	375,835	352,592	319,717	296,678

### Impacts on FY2018 Budget Planning

Prior to FY2008, State of Michigan appropriations and property taxes (public revenues) provided more than 60% of the College's revenues. This percentage fell to 53.5% for FY2013, before beginning to rise in small increments. For FY2018, public revenues comprise 58.0% in the proposed budget. Since FY2013, the appropriation has included a MPSERS rate mitigation element, accounting for the majority of the increase seen since FY2012, when reform decelerated meteoric rises in MPSERS rates. For FY2018, the adopted budget maintains the ratio of revenue sources to the whole within +/- 2.2%. See the charts below for revenue source trends at LCC.

Account Description	FY2014	FY2015	FY2016	FY2017 Adopted	FY2018 Proposed	Percent Change 2017 to 2018
State Appropriations	\$30,303,400	\$31,112,800	\$31,545,500	\$32,176,000	\$32,410,000	0.7%
Property Tax	\$36,718,200	\$37,390,200	\$39,207,100	\$38,973,000	\$40,709,000	4.5%
Tuition & Fees	\$52,168,800	\$49,110,500	\$46,840,900	\$53,280,000	\$50,106,000	-6.0%
Other Revenue	\$2,871,700	\$3,108,200	\$4,017,000	\$2,702,500	\$2,950,000	9.2%
<b>Total Revenues</b>	<b>\$122,062,100</b>	<b>\$120,721,700</b>	<b>\$121,610,500</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>	<b>-0.8%</b>

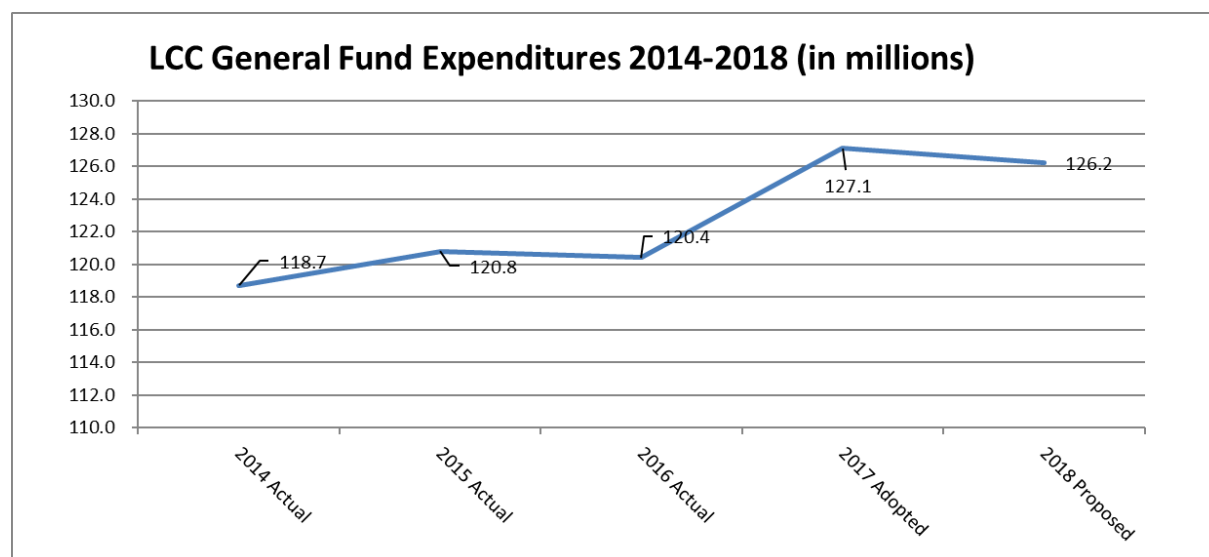
### General Fund Revenue Sources Trend by Percentage



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 over the past decade. Over the last decade, LCC's tuition revenue has gone from being 36.7% of operating revenue in FY2007 to a peak of 44.8% in FY2012. For FY2018, the proposed budget estimates tuition and fees revenue at 39.7% of total revenues, slightly less than both FY2017 adopted and FY2016 actual.

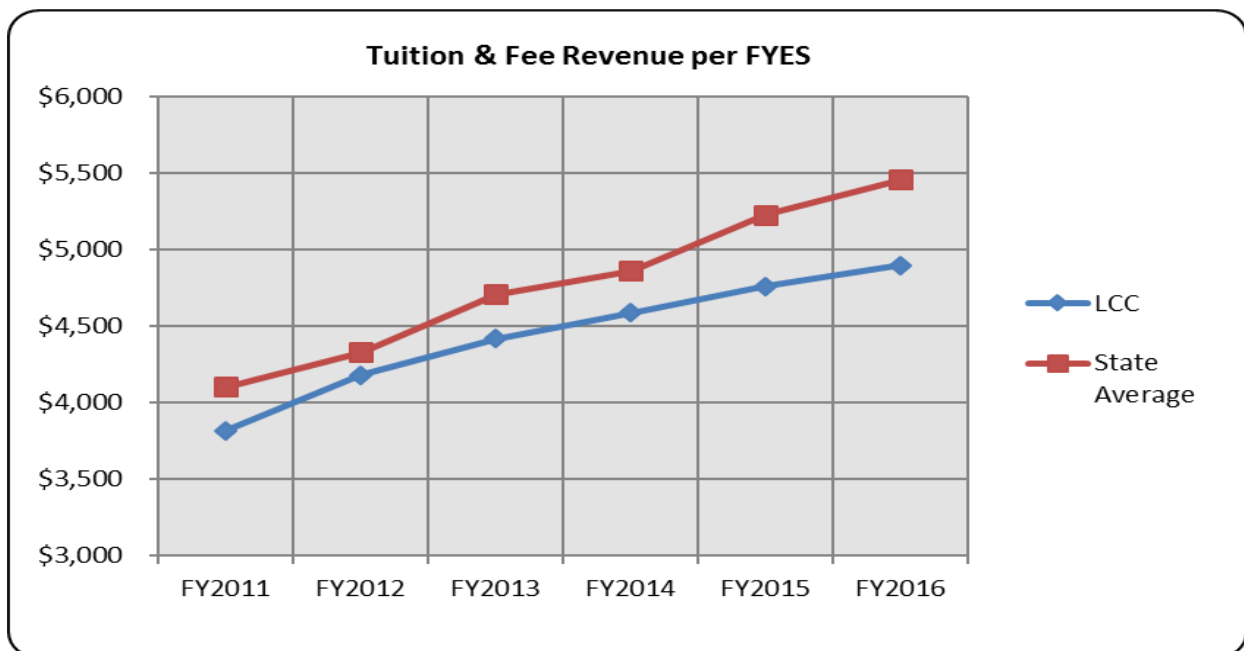
LCC continues to face the prospect of mitigating rising costs that outpace revenues. Since 2008, measures such as capped health care expenses, elimination of certain high cost academic programs, workforce reductions, implementation of efficiencies and careful tuition pricing have stabilized operations and contained costs (see General Fund Expense chart below) to keep LCC's in-district tuition rate one 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.

The chart below shows the five-year trend in total General Fund expenses.

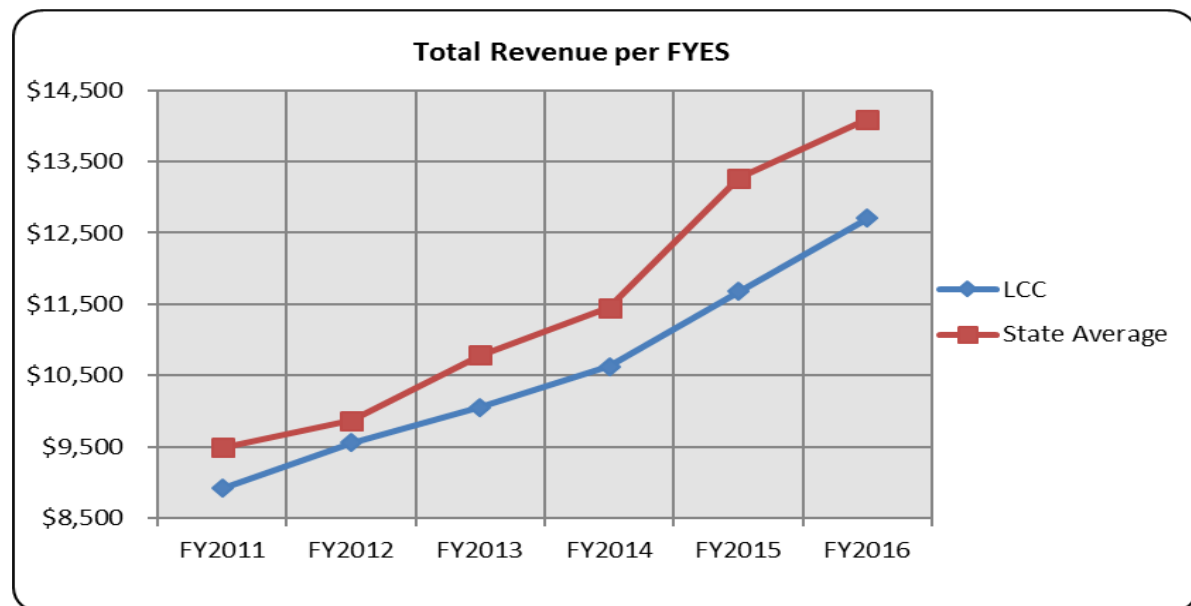


Community colleges are able to increase their property tax revenue above the inflation rate only by raising the millage rate, which requires voter approval. In Michigan, property taxes are levied on the assessed taxable value of the property as established by local units, accepted by the county and equalized under state statute at approximately 50% of the current estimated market value. Annual increases in assessed values are limited to the lesser of 5% or the rate of inflation.

While public revenues per Fiscal Year Equated Student (FYES) have been relatively flat, tuition and fee revenue per FYES has been rising steadily, for both LCC and the State average (see chart below).



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.



Prior to presenting the FY2018 budget for Board of Trustee's adoption, a survey of Michigan's community colleges seems to suggest that most colleges are planning to increase tuition in FY2018. The planned changes ranged from a 0% to a 11.43% increase for in-district tuition. The average in-district projected increase was 4.07%.

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."

Early on, the FY2018 budget planning process indicated that a \$5 in-district tuition increase would be needed to maintain service levels. The College had no choice but to approach budget development by making strategic fiscal decisions. The administration used a budget development methodology whereby Divisions would realign expenses within the overall operational budget value for FY2017, redirecting resources to the achievement of the Strategic Plan, Student Success and Operation 100% and preventing a reduction in FY2017 service levels to students. In FY2017, the Board of Trustees committed to an unprecedented tuition increase in order to provide resources for "wrap around" services. For FY2018, it was determined student success would be best served by the creation of a new Division, organized under the Dean of Student Success, to oversee the integration and delivery of various, otherwise disparate student support services. Functions were reassigned from various existing divisions.

The Board's regular planning cycle indicates a budget proposal will come before the Board at the regular June meeting. On May 18<sup>th</sup>, 2017, a budget workshop was held to present the Administration's draft high level proposal to the Board of Trustees. The proposal included a \$5 increase for in-district tuition and compared the proposal elements to the forecast presented in March.

On June 8<sup>th</sup>, 2017, another budget workshop was held to provide a more detailed overview of the Administration's proposal. Efficiency enhancements and savings totaling \$284 thousand were identified by divisions and incorporated into the proposal to assist with reducing the gap and funding essential or unavoidable increases. Reallocations of \$3.02 million to better support the Strategic Plan were also included.

By this time, information for property tax estimates indicated that this particular revenue stream would be higher than estimated for the March forecast, based on the receipt of actual property values. As a result, the Administration reduced the requested tuition increase by \$1, to \$4. The decrease in tuition revenue is offset by the increase in property tax revenue.

A summary chart of the savings and reallocation decisions is below:

FY2018 Savings (in Thousands)		
Division	Description	Net Amount
Admin Serv	Eliminate vacant full-time administrative position; postage savings from in-sourcing services due to new postage meter; reallocate portion of two full-time support positions to the Auxiliary Fund based on position responsibilities	\$156
Arts&Sci	Reduce printing costs and maintenance/repair budgets based on current spending trends	\$9
CEWD	Reduce student employment budget based on current spending trend	\$10
Fin Serv	Reduce property tax for leasor agreement; reduce student employment budget based on current spending trend	\$32
HHS	Reduce Emergency Medical Services lease expense for Livingston county based on enrollment declines	\$50
HR	Reduce external consulting services based on spending trends	\$7
ITS	Reduce telephone costs and contracted technical support based on current spending trends	\$20
	<b>Total Savings</b>	<b>\$284</b>



FY2018 Reallocations (in Thousands)			
Division	Description	Gross Amount	Net Amount
Academic Affairs	Realign budgets to fund Institutional Research Board and transfer budget from AEA to LUCERO program	\$18	\$8
Admin Serv	Realign budgets based on current spending trends for contractual increase in custodial services and increased transportation costs	\$263	\$0
AEA	Realign budget to establish part-time support by reduction of student employment budget in Foundation Office and reduction of supply budget in AEA division office; Realign budget based on spending trends in the following areas: Marketing - establish student employee photography position and increase staff professional development budget by reducing contracted photography services; AEA divisional office - reallocate budget to LUCERO; Transfer software expense to ITS	\$91	(\$32)
Arts&Sci	Realign Arts&Sci instructional travel budgets and other various services and supplies budgets based on current spending trends; transfer software expense to ITS	\$24	(\$8)
CEWD	Realign budget to establish full-time support position using additional budget from HHS; realign salaries and benefits, contracted instruction, and supplies. These changes are based on changing course delivery methods and current spending trends. Transfer software expense to ITS	\$192	\$18
EXEC	Realign budget to fund employee engagement sessions about the Strategic Plan; increase budget for institutional memberships based on current spending trends; reduce vacant full-time administrative position	\$82	\$0
Fin Serv	None	\$0	\$0
HHS	Realign budget to establish full-time support position; reduce part-time support positions; transfer full-time faculty position to Student Affairs; reallocate budget to CEWD. These changes are based on current enrollment and spending trends.	\$147	(\$77)
HR	Transfer software expense to ITS	\$44	(\$44)
ITS	Increase budget due to contract obligations for annual support/maintenance for software - budgets reallocated from CEWD, AEA, HR, and Arts&Sci; increase student intern positions; establish full-time support position; reduce part-time support positions.	\$253	\$82
Student Affairs	Realign budget to establish full-time support positions in Veteran's Affairs, Testing Services and Registrar's Office; reduce part-time support positions; increase travel, training, and conference for Veteran's events; reduce supplies; transfer full-time faculty position from HHS to Student Affairs; eliminate vacant full-time administrative position	\$360	\$53
Student Success	Establish Dean of Student Success, Academic Success Coach Director and two full-time support positions	\$403	\$0
Tech Careers	Realign services and supplies budget based on current spending trends.	\$137	\$0
	<b>Total Reallocations</b>	<b>\$2,014</b>	<b>\$0</b>

Discussions at Budget Workshops included validating relevance of courses offered, using unrestricted fund balance to avoid a tuition increase. The Board requested a list of budget reductions that might be taken to achieve a \$3 in-district tuition increase,

rather than a \$4 increase. The Administration provided a list of potential budget reductions to the Board prior to June's regular meeting, when the budget would come before them for ratification.

The Board unanimously adopted the Administration's proposed budget as recommended at the regular meeting of June 20<sup>th</sup>, also approving the tuition structure displayed in the chart below:

<b>Residency</b>	<b>Current Tuition Rate</b>	<b>Proposed Increase Fall 2017</b>	<b>Proposed Tuition Rate Fall 2017</b>
In-District	\$99	\$4	\$103
In-State	\$198	\$8	\$206
Out-of-State	\$297	\$12	\$309
International	\$347	\$13	\$360

# **CAMPUS MASTER PLAN SUMMARY**

## **Campus Master Plan**

### **Adopted by the Board of Trustees October, 2016**

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#### **Campus Master Plan Executive Summary Excerpts**

Lansing Community College (LCC) is a major urban community college, situated on 48 acres, in a nine-city block area in downtown Lansing, Michigan. LCC was founded in 1957 by the Lansing Public School system, with eight faculty members and 425 students. It was housed initially in what had once been the Central High School building and offered instruction in technology and practical nursing, in addition to apprenticeship programs. Through private purchase and urban renewal funds, the College not only acquired many buildings that would eventually make up the College's current downtown campus, but also led the way in developing North Washington Square and contributing to a revitalization of downtown Lansing. LCC is now the third largest community college in the state of Michigan.

The College offers classes year-round, in a three-semester curriculum. The College offers 262 degree and certificate programs and over 1,200 courses in one of three academic divisions; Arts and Sciences; Health and Human Services; and Technical Careers. In addition, the Community Education and Workforce Development division provides community and continuing education and includes the College's Business & Community Institute (BCI) that provides customized training directly to regional businesses and manufacturers.

#### **Operation 100%**

Through dozens of campus conversations with students, support staff, faculty, and administrators, LCC has adopted the Operation 100% initiative. Operation 100% is LCC's customized student success initiative that engages every aspect of our college. It brings together all of our student success and/or institutional improvement efforts and initiatives under one cohesion-building umbrella.

The Five Year Capital Outlay Plan provides a framework for implementing Operation 100% and the College's strategic plan by identifying needed facilities and improvements to support future growth and development. The College is looking ahead to identify the direction and trends emerging to best serve LCC's students future educational needs and encourage the success of our students.

#### **Facilities Assessment Summary**

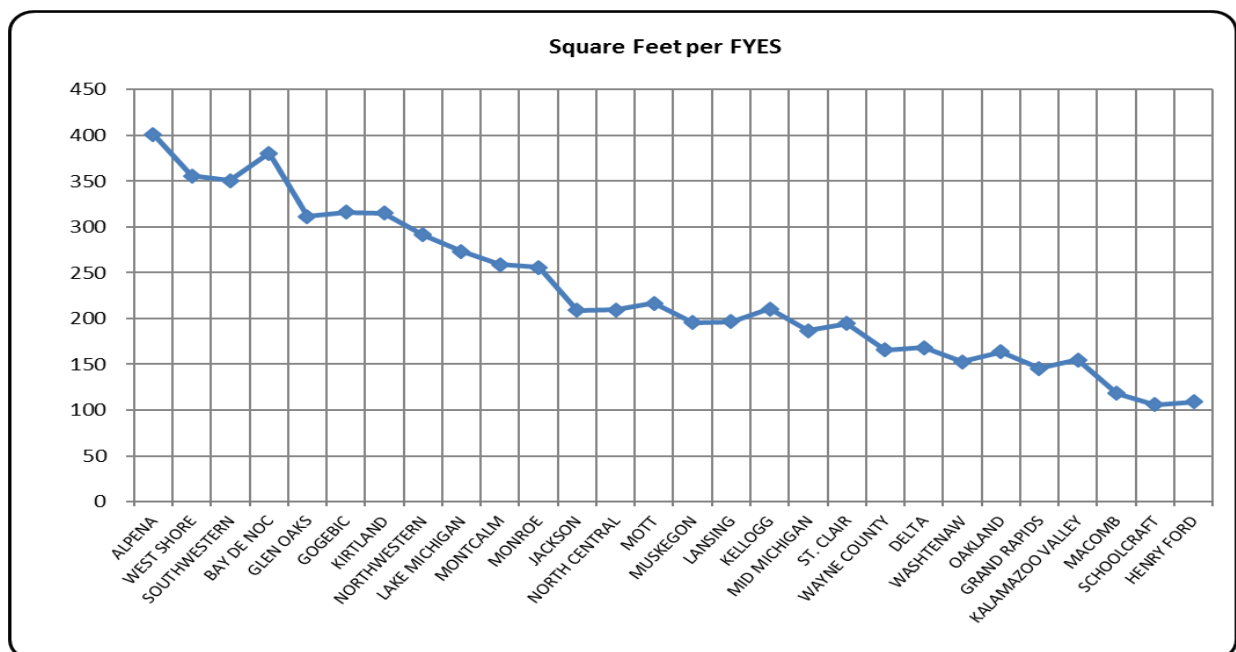
Lansing Community College updates the facilities assessment annually to take into account new buildings and renovations as they are they are acquired or completed. Funding for this work is established in the plant fund with a \$3.062 million annual transfer from the general fund. LCC regularly uses a combination of outside maintenance firms and internal skilled trade staff to maintain and repair major College building systems. In-house staff perform multiple, periodic inspections and repairs according to a formal LCC preventive maintenance program.

LCC's current physical plant consists of 25 owned major buildings and, including leased spaces, totals over 1.8 million square feet of floor space. This includes a parking structure of 318 thousand square feet. The College's currently owned space includes 1.516 million square feet of gross building space. The estimated value of the College buildings exceeds \$400 million dollars. Founded in 1957, LCC will be celebrating its 60<sup>th</sup> year in 2017. Of the 25 College-owned buildings, six are older than the college itself; these buildings were adapted when downtown Lansing was chosen as a site for the community college. The average age of all buildings is 52.2 years old, which presents an ongoing challenge for Physical Plant personnel to maintain adequately to best serve the College's instructional mission. New and remodeled buildings have relieved some pressure for facilities' maintenance costs and energy costs. At the end of FY2016, the schedule below shows a slight rise in FY2017; then a decline to \$3.05 million overall by FY2022. There is a detailed schedule, by building, included in the Campus Master Plan.

### 2016 Facilities Assessment Summary

Facility Category	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Architectural	\$381,500	\$168,000	\$512,000	\$470,500	\$453,000	\$229,500
Electrical	\$183,500	\$993,500	\$691,000	\$455,500	\$247,000	\$354,500
Envelope	\$372,500	\$315,000	\$553,500	\$321,000	\$889,000	\$378,000
Maintenance	\$120,000	\$120,000	\$350,000	\$350,000	\$55,000	\$120,000
Mechanical	\$1,294,500	\$991,000	\$512,500	\$960,000	\$761,500	\$861,500
Other	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
Roof Repair/Replace	\$453,000	\$539,000	\$347,500	\$263,000	\$503,500	\$980,000
Site Repairs	\$119,500	\$81,000	\$153,500	\$100,000	\$100,000	\$42,500
<b>Grand Total</b>	<b>\$3,009,500</b>	<b>\$3,292,500</b>	<b>\$3,205,000</b>	<b>\$3,005,000</b>	<b>\$3,094,000</b>	<b>\$3,051,000</b>

Lansing Community College ranks 16<sup>th</sup> in the ratio of square feet per fiscal year equated students (FYES) when compared to the space available at Michigan's 27 other community colleges (see chart below).



### ***Build Forward Project***

From 2012-2017, A \$67 million capital project, *Build Forward*, completely transformed many of the facilities on campus to enhance teaching and learning. \$9.975 million was provided by the state of Michigan; \$11.4 million was set aside by LCC, \$1.3 million came from Foundation capital funds and approximately \$45 million was financed with bond issuance.

The core purpose for the project was to upgrade College facilities and environment consistent with our commitment to position LCC as a national leader in community college education. These elements were central to the original plan:

- To provide technology-rich classrooms, laboratories and infrastructure
- To create student-centered common areas that encourage learning beyond the classroom
- To develop inviting environments for attracting and retaining students and to enhance campus-community connections.

Many of the classrooms and laboratories are among the best in the nation for teaching freshman and sophomore courses. *Build Forward* has now been completed.

LCC continues to prepare the campus for the development and enhancement of academic initiatives to focus on student success. One such project is the Center for Manufacturing Excellence, celebrating its grand opening in October of 2017. Located at West Campus to provide space for high-tech manufacturing equipment, LCC created areas that mirror flexible, advanced manufacturing working environments. This new equipment and expansion is critical to advancing LCC's role in supporting the hiring needs of regional manufacturers.

The Community College Skilled Trades Equipment Program adds square feet per FYES to the College. Newly added spaces are more energy efficient and are expected to help increase enrollments and retain students, therefore increasing revenues.

A \$5 million equipment grant is supplemented by \$3.8 million in required and additional match funds to bring the total estimated costs to \$8.8 million. This project will significantly increase the number of high-skilled graduates capable of filling current and projected high-wage job openings. In this way, LCC will strengthen the ability of area manufacturers to grow operations, while helping to reduce the skills gap of the current workforce.

See below the status of the Skilled Trades Equipment Project and other Capital Projects for the period ending June 30, 2017:

## Capital Projects

	Project Approved Budget	Cumulative Project Expenses	Available Balance
<b>Community College Skilled Trades Equipment Program</b>			
State Grant - Equipment	\$ 5,000,000	\$ 4,777,237	\$ 222,763
Construction Costs - Required Match	\$ 1,600,000	\$ 1,600,000	\$ -
Construction Costs - Additional Match	\$ 2,200,000	\$ 2,200,000	\$ -
<b>Totals</b>	<b>\$ 8,800,000</b>	<b>\$ 8,577,237</b>	<b>\$ 222,763</b>
<b>Capital Project: 505 Capital Avenue Building</b>			
Construction Costs	\$ 2,070,000	\$ -	\$ 2,070,000
Contingency	\$ 230,000	\$ -	\$ 230,000
<b>Totals</b>	<b>\$ 2,300,000</b>	<b>\$ -</b>	<b>\$ 2,300,000</b>
<b>Capital Project: Campus Wide Tree &amp; Landscape Improvements</b>			
Construction Costs	\$ 2,650,000	\$ 2,647,571	\$ 2,429
Contingency	\$ 250,000	\$ -	\$ 250,000
<b>Totals</b>	<b>\$ 2,900,000</b>	<b>\$ 2,647,571</b>	<b>\$ 222,763</b>

### LCC 2018 CAPITAL PROJECT REQUEST TO THE STATE OF MICHIGAN

LCC's Capital Project Request is for the renovation of the building at 505 N. Capitol Avenue. This facility is a former office building that is located on the west side of Capitol Avenue, across the street from Dart Auditorium, at the Downtown campus of LCC. This building was acquired in October 2012 to stabilize the surrounding Lansing neighborhoods and allow for curriculum development of innovative academic programs. Renovation of this facility and the surrounding grounds and parking is intended to provide a technology-rich academic space in a safe and inclusive environment that will enhance student success.

The renovation of the building at 505 N. Capitol Avenue to provide a flexible learning space for all of our students is a prime example of the college's commitment to student success. The space is intended to create a learning environment that is flexible and can easily adapt to the changing student academic needs. The re-imagining of this existing building addresses two critical needs at LCC:

- Providing much needed classrooms that are technology-rich and learner-centered for the development of academic offerings in the Science, Technology, Engineering and Mathematics (STEM) courses of study. The College has made STEM course offerings a priority to provide highly trained workers to support Michigan's growing need. The U.S. Bureau of Labor Statistics projects that employment in Science and Engineering will grow by 18.7% between 2010-2020. Remarkably, STEM-related employment grew as a share of total employment in Michigan during a period when the state's overall employment decreased.

- Creating a Veteran's Resource Center (VRC) to provide the resources that meet the educational needs of LCC's growing population of students who have bravely served in the U.S. Armed Forces. The VRC serves as a welcome center, resource center and support center. Along with other assistance, Veteran students will receive guidance that will ensure that they are receiving the correct benefits and that they are taking the correct classes which will be covered by their VA benefits.

Because this building was built in the 1960s, the College will address the building envelope and systems for energy efficiency. The mechanical and electrical systems will require updating and replacement. The glass on the building envelope will need to be replaced as it is the original 1960's glass/glazing system. Insulation throughout the building will be replaced to remove any asbestos-containing materials and improve energy efficiency. Replacing the building envelope materials will also protect the building infrastructure from any further deterioration. In addition, building accessibility and compliance with ADA regulations will be addressed at all entrances.

During the remodel, the project, design and construction methods and implementation will be in compliance with Leadership in Energy and Environmental Design (LEED) Silver status. Campus construction standards will be used during design and will include interior and exterior finishes, systems, and layout for ease of maintenance and operations. Operational plans for the building will incorporate LEED principles to enhance sustainability.

The completed project will not increase operating costs because the Huron Building will be closed until it can be renovated at some point in the future. The operating budget for the Huron Building will be transferred to the renovated 505 building.

### **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 million of taxable valuation plus 1% of the excess over \$250 million of the taxable valuation. At the end of FY2016, the College's outstanding debt obligations stood at \$74,348,363. The taxable valuation stood at \$10,614,700,749. Lansing Community College is far below its statutory debt capacity, and has no problem meeting its debt obligations.

The College has an excellent bond rating, with insured rates of AA (S & P), and Aa2 (Moody's) for the 2012 College Bonds issuance. 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 scheduled payment requirements of bonds and notes payable for years succeeding June 30, 2017:



**Lansing Community College  
Debt Amortization Schedule**

<b>Year</b>	<b>Total</b>
FY17	8,908,000
FY18	6,896,000
FY19	6,904,000
FY20	6,894,000
FY21	5,929,000
FY22	5,903,000
FY23	5,902,000
FY24	5,905,000
FY25	5,906,000
FY26	5,907,000
FY27	6,002,000
FY28	6,005,000
FY29	6,001,000
FY30	6,004,000
FY31	6,002,000
FY32	6,002,000
<b>Total</b>	<b>\$ 101,070,000</b>

In December 2015, Standard and Poor's reaffirmed the college's AA/Stable bond rating.

# **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*.

Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when the use is first permitted, matching requirements, in which the College must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

To ensure consistency in financial reporting and economy of effort in financial operations and analysis, the College budgets and accounts for its financial operations on the same basis.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement. GASB requires accounting by funds so that limitations and restrictions on resources can be easily accounted for. The College utilizes fund based accounting to record all revenues and expenditures incurred.

Expenditures are generally accounted for using the modified accrual basis of accounting. They are recorded when the related fund liability is incurred. The College also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

An accrual basis is used for budgeting, with a modified incremental basis model (for more about this model see the *Guidelines for Development of Budget Recommendations for Consideration* section on [page 84](#)). Though information on other funds (Auxiliary, Designated, Grants, Plant, Restricted) is included in the budget proposal, the focus is the General Fund and operating budgets. (For more information on funds, refer to the glossary [pages 122-127](#), and *Active Grants*, [pages 107-109](#).)

A baseline budget is established, then, requests for adjustments from that baseline are submitted and deliberated upon, with those deemed strategically sound being incorporated into the budget proposal. Requests for changes in budget require justification and linkages to the Strategic Plan and Board of Trustee's Goals.

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 year.
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. Professional Services
5. Purchased Services
6. Rental Expense
7. Repair and Maintenance
8. Supplies
9. Travel, Training and Conferences

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

1. Instruction
2. Public Services
3. Instructional Support
4. Student Services
5. Institutional Administration
6. Operations & Maintenance of Plant

#### 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 thousand.

#### **III. General**

- A. Definitions: a capital project shall be any project over \$500 thousand 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 a 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-101 Access**

- Persons shall have maximum feasible access to all college services regardless of their:
  1. Race, color religion, national origin, marital status, pregnancy, height, weight, citizenship, age, gender, ethnicity, sexual orientation, gender identity, gender expression, military or veteran status
  2. Financial/income status
  3. Geographical location within the district
  4. Physical or mental disability
  5. Parenting status
  6. Tradition inclination to aspire to education
  7. Time schedules

### **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
  6. Employability Skills
  7. Financial Literacy

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

As a result of the work of Lansing Community College:

1. The college will be a visible and recognized contributor to area and regional problem solving
2. Training and worker preparation needs of the area are satisfied
3. Vibrant cultural opportunities are present in the community
4. LCC is a resource 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:

1. Increasing the percentage of students earning an associate degree or certificate at Lansing Community College by 10% per year

### **E – 105 Student Success**

To fulfill its mission Lansing Community College will:

1. Partner with school districts within the college's district to prepare prospective students for college level work. Measures of success of this end will include a reduction in the percentage of incoming students who are not prepared for college level work
2. Increase the persistence/retention rate of students by 10% each year

### **E – 106 Marketing and Communication**

To fulfill its mission Lansing Community College will:

1. Develop and implement a marketing and communication plan that raises the level of awareness of the residents in the Lansing Community College District of the educational opportunities, programs and services provided by the college by 10% per year
2. Develop and implement an internal communication plan that share information, promotes transparency in decision-making , and engages the participation and input of faculty and staff in meaningful ways

### **E – 107 Academic and Workforce Development Excellence**

A "Spirit of Excellence" is continually developing the skills, abilities and knowledge to become better at our jobs and careers and always raising the bar on our goals and objectives to achieve new heights. To fulfill its mission Lansing Community College will promote a spirit of excellence by:

1. Personal improvement
2. Support and involvement to help colleagues improve
3. Support and initiatives to help the organization improve

### **Forecasting and Budgeting**

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 not present a proposed budget which:

1. Contains insufficient information, in accordance with policy direction established by the Board of Trustees, to enable the Board and others to make accurate and ready comparisons of prior years' financial and enrollment data, including credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions, to assess the reasonableness of projections for the proposed budget.
2. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received.
3. Would project the general fund balance to fall below fifteen percent of the college's operating budget.



4. Fails to present 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. Fails to include consideration of multiple year long-range administrative plans.

### **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.

### **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.

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. In December, the Board will develop its agenda for the ensuing one year period.

Education, input and deliberation will receive paramount attention in structuring the series of meetings and other Board activities during the year. To the extent feasible, the Board will identify those areas of education and input needed to increase the level of wisdom and forethought it can give to subsequent choices.

The sequence derived from this process for the Board Planning year is as follows:

January	<ul style="list-style-type: none"> <li>• Organizational meeting held at the first meeting of the Board in January following the date of the regular College District election</li> <li>• Set policy and bylaw review schedule for the year</li> <li>• Review progress on a Lansing Community College strategic plan area of focus</li> <li>• Conflict of interest statements due per bylaw 1.7.7</li> <li>• Administration submits two year projections for enrollment, revenues, expenditures and proposals for strategic initiatives and investments. The purpose of this information is to provide board members with data to assist the board in its budget deliberations</li> <li>• Adopt audit committee meetings calendar</li> <li>• Set schedule for administration's submission of monitoring reports pursuant to governance policies</li> <li>• Set schedule for board retreats</li> </ul>
February	<ul style="list-style-type: none"> <li>• ACCT Legislative Summit</li> <li>• Review progress on a Lansing Community College strategic plan area of focus</li> <li>• Review ACCT recognition and presentation opportunities</li> </ul>
March	<ul style="list-style-type: none"> <li>• Review of President's contract</li> <li>• Budget preview</li> <li>• Review of progress on a Lansing Community College strategic plan area of focus</li> </ul>
April	<ul style="list-style-type: none"> <li>• Action on President's contract</li> <li>• Review progress on a Lansing Community College strategic plan area of focus</li> </ul>
May	<ul style="list-style-type: none"> <li>• Budget review</li> <li>• Review progress on a Lansing Community College strategic plan area of focus</li> </ul>
June	<ul style="list-style-type: none"> <li>• Public Hearing on proposed budget</li> <li>• Approve property tax rates, tuition, and budget</li> </ul>
July	<ul style="list-style-type: none"> <li>• Board retreat</li> <li>• MCCA Summer Conference</li> </ul>
August	<ul style="list-style-type: none"> <li>• Board retreat</li> <li>• Fall Semester Kick-off</li> <li>• Board of Trustees luncheon</li> </ul>
September	<ul style="list-style-type: none"> <li>• Review progress on a Lansing Community College strategic plan area of focus</li> <li>• Facilities Master Plan update review</li> </ul>
October	<ul style="list-style-type: none"> <li>• ACCT Leadership Congress</li> <li>• Receive President's input on evaluation and progress on Lansing Community College's strategic plan and proposed strategic plans for the ensuing year</li> <li>• Receive Fiscal Year-End Financial Audit report</li> <li>• Action on Facilities Master Plan renewal</li> </ul>
November	<ul style="list-style-type: none"> <li>• Begin Board self-evaluation process</li> <li>• Review progress on a Lansing Community College strategic plan area of focus</li> <li>• Evaluation of President</li> </ul>

	<ul style="list-style-type: none"> <li>• Review federal agenda and federal grant initiatives in preparation for the ACCT Legislative Summit</li> </ul>
December	<ul style="list-style-type: none"> <li>• Finalize Board self-evaluation</li> <li>• Review/adjust Board self-evaluation criteria</li> <li>• Adopt Board and Audit Committee meeting calendar</li> <li>• Publish summary of audit in newspaper of general circulation per MCL 389.143</li> </ul>

### **Budget Amendments**

It is the intention of the college to operate within the parameters of the budget as originally approved by the Board of Trustees. However, the President would notify the Board of Trustees if it is necessary to request any official amendment to the budget resulting from significant variances due to changes in budget assumptions, or other unanticipated events that would have significant impact on the approved budget. The Board of Trustees would consider the proposed budget amendment and approve or reject it.

### **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 fund principals. 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.

## **FY2018 BUDGET ESTABLISHMENT**

### **Timeline for FY2018 Budget Development**

12/1/16 – 12/7/16	Financial Briefings held to provide general information to Deans, Department Heads, support staff and others in the campus community
1/25/17 – 1/26/17	Conduct Budget Launch Meetings to discuss process and distribute Budget Development instructions and baseline Budget Item Detail
2/13/17	FY2018 Divisional Savings Recommendations due to Financial Planning, Analysis and Review (FPAR) after Sr. VP review and concurrence*
2/20/17	Savings Recommendations summarized and forwarded to the Executive Budget Committee for deliberation
3/6/17	FY2017 Reallocation Proposals due to FPAR after Sr. VP review and concurrence*
3/13/17	Reallocation Proposals summarized and forwarded to the Executive Budget Committee for deliberation
3/20/17	Budgets and plans for various areas due to FPAR*: Capital & Non-Capital Equipment, Facilities Maintenance & Renovation, Auxiliary/Designated/Plant Funds, Information Technology Infrastructure, Perkins Improvement Projects, Recommended Institutional Memberships, HR Funded Professional Development
3/27/17	Financial Forecast presented to Board of Trustees, including tuition increase to create a balanced budget for FY2018
5/18/17	Board of Trustees Budget Workshop – high level draft
6/8/17	Present FY2018 Budget Proposal at Board Workshop
6/19/17	Administration's FY2018 Budget Proposal for adoption at Board Meeting

\*Completed proposals include applicable goal(s), alignment with the Strategic Plan and impacts. They are submitted to FPAR through the authority hierarchy.

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

1. Begin with the FY2018 baseline. A baseline was prepared with the following assumptions:
  - a. For enrollment planning purposes, an enrollment decline of 6.0% is assumed separate from the FY2017 decrease.
  - b. Known contractual increases are incorporated into the baseline.
  - c. Contingency Funds will be equal to 1% of total revenue.
  - d. Temporary (not Provisional) positions will not be budgeted in the baseline.

2. All Divisions will present, for institutional prioritization, proposals to reduce expenses. Reductions are not expected to be across-the-board and all reduction proposals may not be incorporated into the Budget Proposal.
3. Reallocation proposals will be considered only after savings have been identified. Reallocations will net to zero across the college. All costs and program service impacts associated with proposals must be included in the submission. They must support the Strategic Plan and the Board of Trustees Governance Policies.
4. Three-year plans will be developed for:
  - a. Information Technology Replacement
  - b. Media Technology Replacement
  - c. Maintenance & Replacement
  - d. Division Renovations
  - e. Capital and Non-Capital Equipment

**FY2018 BUDGET  
EXECUTIVE SUMMARY,  
DETAIL  
AND  
FINANCIAL  
INFORMATION**

June 19, 2017

## **Lansing Community College Fiscal Year 2018 Proposed Budget Narrative**

### **Introduction**

The FY2018 Budget process started in December 2016 when the Financial Services division invited all college employees to attend *“LCC Financial Briefing”* sessions at Downtown and West campuses. Nearly 50 employees attended one of the three sessions. In addition, it was presented to the Academic Senate in December. These sessions provided an overview of the College's revenue sources and types of expenses and were intended to engage employees and raise the overall awareness of the College's finances within the College community. Good discussions were held, and all questions were answered. Copies of the presentations were made available at the sessions and upon request.

In late January 2017, two FY2018 *“Budget Launch”* meetings were held to provide instructions and guidance, as well as to answer questions regarding the specific process to be used in the submission of necessary information to develop the FY2018 budget. These two meetings were attended by over 70 employees. In early February, the *“Budget Launch”* was presented to the Academic Senate. There was good dialogue and all questions were answered. Employees were encouraged to engage in the process within their respective divisions. The Chief Financial Officer and members of the Financial Planning, Analysis and Review (FPAR) department also met with individual members of the Executive Leadership Team (ELT) and others to provide additional support during the budget development process.

Subsequent to the FY2018 *“Budget Launch”* meetings, ELT members, with input from their respective teams, forwarded Savings Recommendations to FPAR in February and Reallocation Requests to FPAR in March.

On March 2, 2017, the Chief Financial Officer presented a high-level two-year financial forecast to the Board. That forecast projected a balanced budget for FY2018 and included a \$5 increase in the In-District tuition rate (from \$99 to \$104).

Based upon review and acceptance of various Savings Recommendations and Reallocation Requests, a draft FY2018 budget was discussed with the members of the Board of Trustees at two workshops held on May 18<sup>th</sup> and June 8<sup>th</sup>. This draft budget included over \$284 thousand of accepted Savings Recommendations and in excess of \$2 million in approved Reallocation Requests. The overall goal of the Savings Recommendations and Reallocation Requests was to direct more resources to the achievement of the Strategic Plan, Student Success, and Operation 100% and to prevent a reduction in the existing levels of service to students.

At the June 8<sup>th</sup> budget workshop, based upon the receipt of actual property taxable values, the Administration changed the recommendation from a \$5 tuition increase to a \$4 tuition increase. The decrease in tuition revenue was offset by the increase in property tax revenue. State Appropriation revenues are based upon the governor's recommendations from February 2017 because the legislature has not finalized the state's FY2018 budget.

The resources contained in this budget proposal are for the express purpose and intent of making significant improvements in student success by directly impacting persistence, retention and completion in support of students' academic and career goals.

### Summary of General Fund Budgets

Lansing Community College's Fiscal Year 2018 (FY2018) proposed budget is presented to the Board of Trustees in summary form with supporting documentation. The Administration requests adoption as proposed.

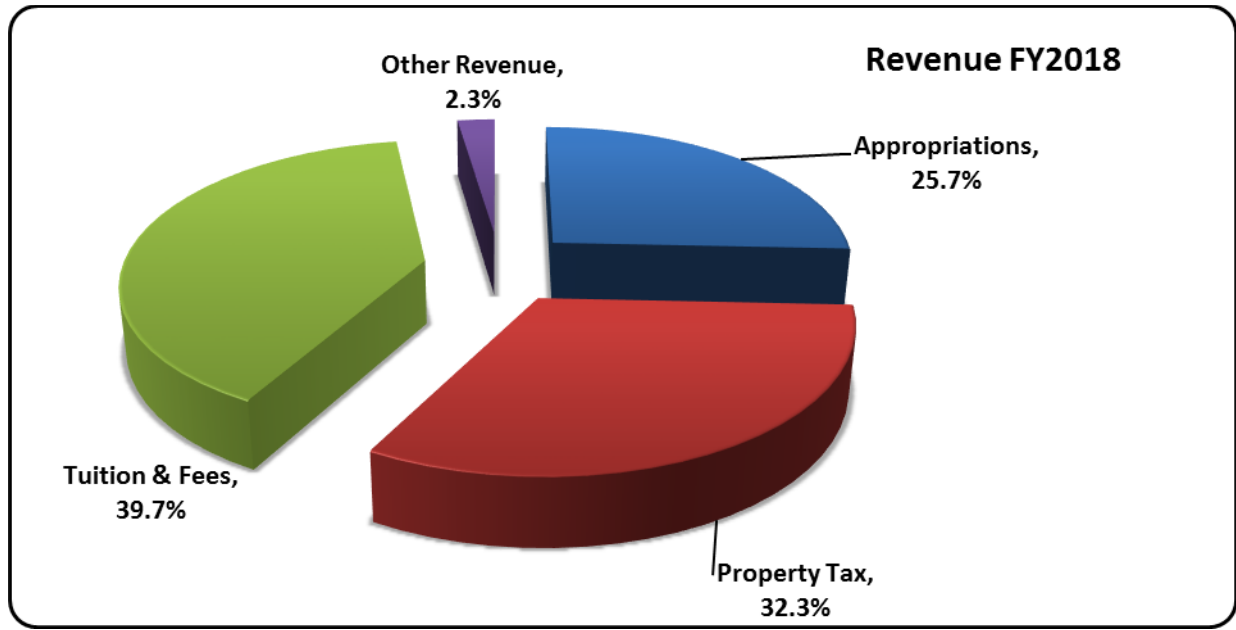
Total revenues are projected to exceed \$126 million.

### Revenues

#### Summary of Fiscal Year 2018 General Fund Revenues

Account Description	FY2015	FY2016	FY2017 Adopted	FY2018 Proposed	Percent Change 2017 to 2018
State Appropriations	\$31,112,800	\$31,545,500	\$32,176,000	\$32,410,000	0.7%
Property Tax	\$37,390,200	\$39,207,100	\$38,973,000	\$40,709,000	4.5%
Tuition & Fees	\$49,110,500	\$46,840,900	\$53,280,000	\$50,106,000	-6.0%
Other Revenue	\$3,108,200	\$4,017,000	\$2,702,500	\$2,950,000	9.2%
<b>Total Revenues</b>	<b>\$120,721,700</b>	<b>\$121,610,500</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>	<b>-0.8%</b>





State Appropriations – The State's FY2018 appropriations to Lansing Community College are budgeted to increase by 0.7%. This increase is due to estimated additional funding that replaces LCC's lost property tax revenue from the corporate personal property tax reform.

Property Taxes – For FY2018, general property tax revenue is estimated to increase by 4.5% which also includes an assumption for uncollectible property taxes. This reflects the recent steady increase of the District's property values after several years of declining values, offset by the loss of corporate personal property tax revenue (see above). The College's millage rate will remain at 3.8072 mills.

Tuition and Fees – The budget of \$50.1 million in tuition and fees assumes decreases in enrollment of 6.0% from FY2017 estimated enrollments and a 4.0% increase in tuition rates for in-district, in-state, out-of-state and international students of \$4, \$8, \$12, and \$13 respectively. Changes in course fees previously approved by the Board are also included. This increase reflects our commitment to maintaining the current level of support for our students.

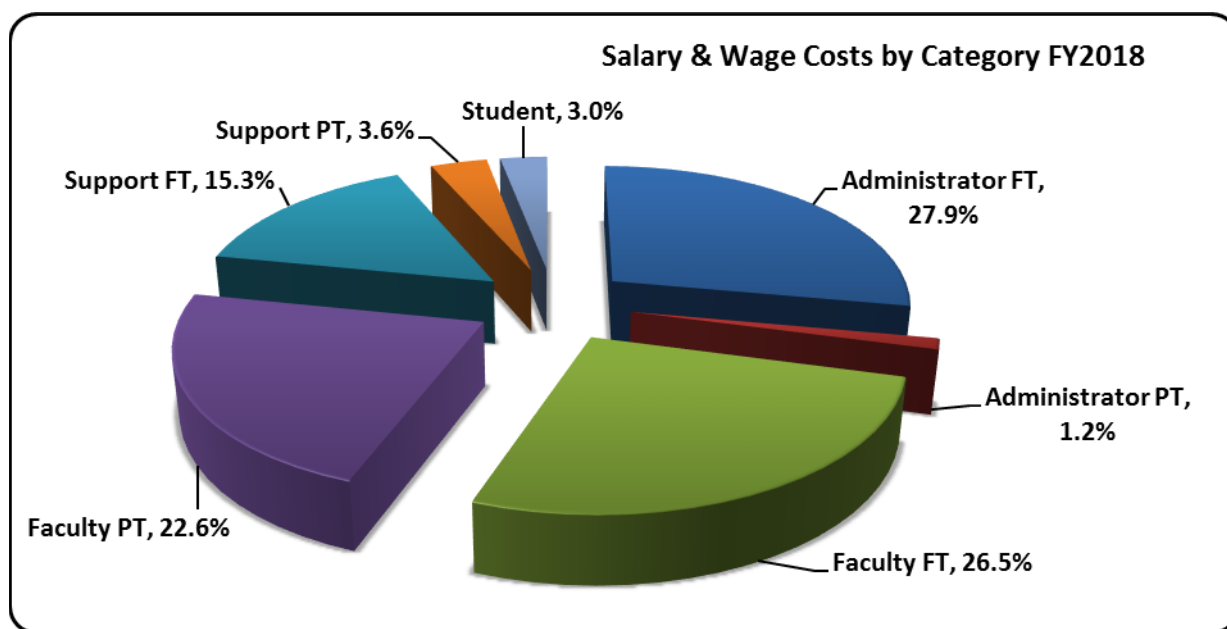
Other Revenues – Other revenues include the College's contracts with the Eaton and Clinton County Regional Educational Services Agencies, interest income, University Center income, rental income, and other miscellaneous revenues. The College projects a 9.2% increase in Other Revenue for FY2018.

### **Operating Budgets**

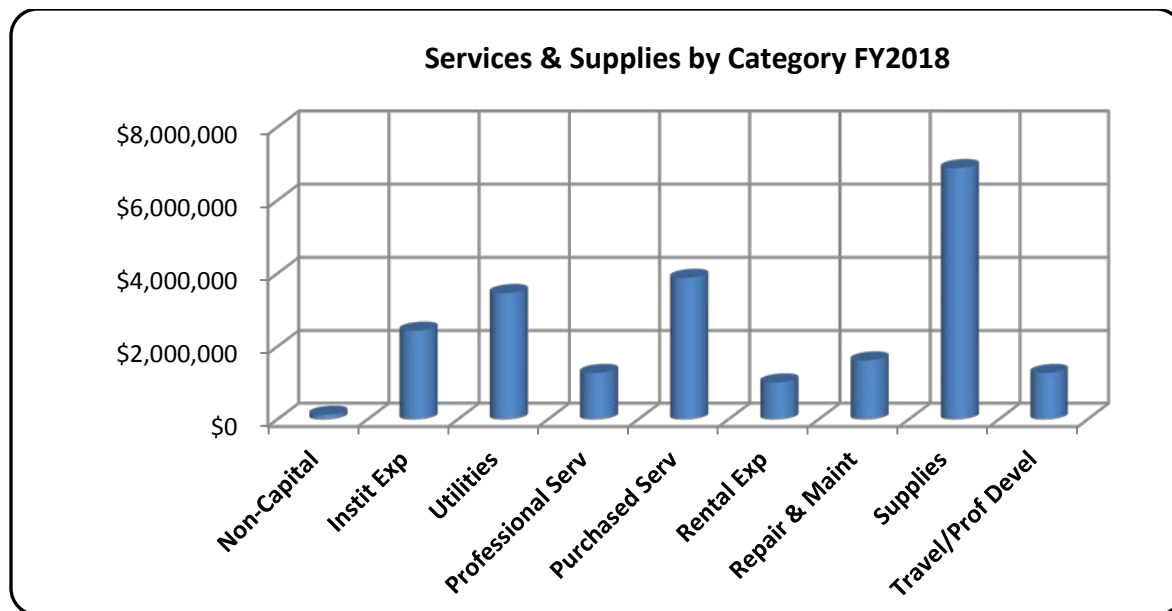
Salaries, Wages, and Benefits – Salaries and benefits will comprise 67.9% of all General Fund expenses and transfers in FY2018. This is compared to 67.2% in the FY2017

budget. The increase here is primarily related to contractual obligations in the college's various collective bargaining agreements. The state minimum wage will increase 3.9% to \$9.25 per hour, effective January 1, 2018. LCC has chosen to implement the increase effective with the July 1, 2017 fiscal year for student employees.

The College's contribution to the Michigan Public School Employees Retirement System (MPERS) is calculated based upon a weighted average of salaries and wages. This weighted average rate is based upon an analysis of individual employee MPERS pension/health insurance elections, the MPERS rates in effect on July 1, 2017, and the MPERS rates to be effective October 1, 2017. Only those full-time administrators and faculty who have chosen the College's optional retirement program (ORP) do not participate in MPERS. For those individuals that have selected the ORP, the College contributes 12% of their salaries into the plan. Health care costs have increased to the extent of the increase in the State of Michigan employer maximum "hard cap". 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 projected to increase 3.7% from the FY2017 budget. This includes increased institutional expenses, purchased services and rental expense.



Institutional Scholarships – The FY2018 budget is \$1.5 million which includes an adjustment for proposed tuition rates. This scholarship budget provides for Board of Trustees, Honors, divisional, athletic, and other scholarships.

Child Care Scholarships – The FY2018 budget is \$289 thousand which includes an adjustment for approved child care fee increases.

Contingency – The proposed Contingency budget for FY2018 is \$1.26 million or 1% of the proposed revenues, as prescribed in the Board of Trustees policy.

### **Transfer Budgets**

Grant Match – The FY2018 budget is \$1.05 million. This is a \$44 thousand reduction from the FY2017 budget. This is based on requirements of current grant awards and anticipated grant awards.

Capital Equipment - The FY2018 budget is \$1.1 million, the same as FY2017.

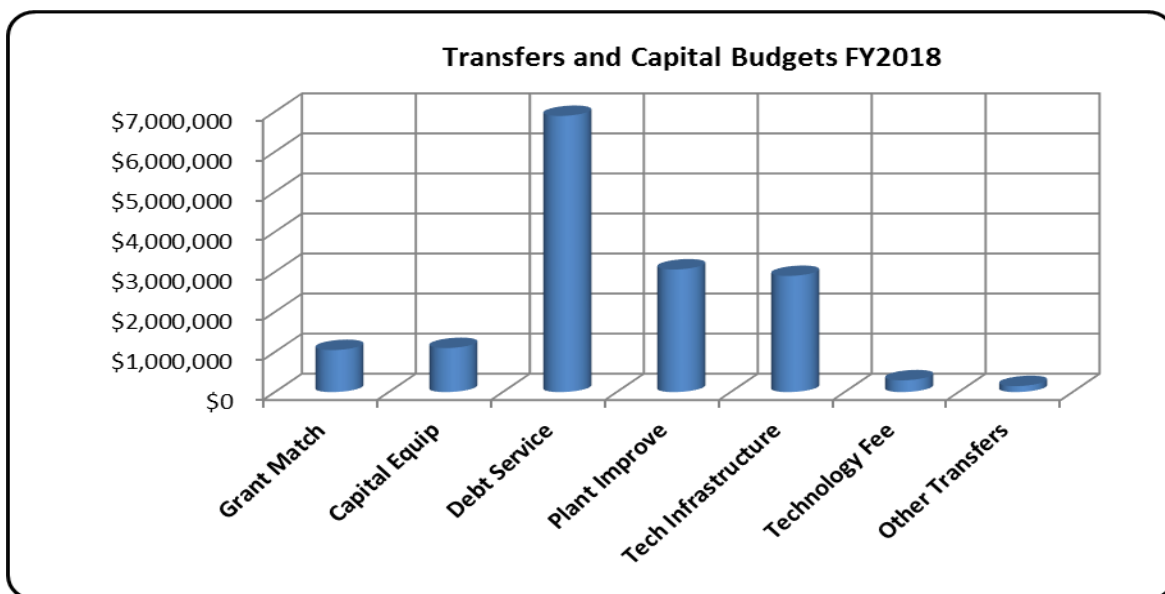
Outstanding Debt Service – \$6.9 million is budgeted for required principal and interest payments on debt. Due to the payoff of the 2005 and 2007 bond issues, the budget has been reduced by \$2 million.

Plant Improvement – The FY2018 budget is proposed at \$3.1 million. This is the same as the FY2017 budget. The College currently owns and maintains approximately 1.8 million square feet of space.

Technology Infrastructure – The FY2018 budget is proposed at \$2.9 million. This is the same as the FY2017 budget.

Technology Fee – The 2018 Budget is proposed at \$294 thousand, a reduction from FY2017 of \$31 thousand, reflecting anticipated enrollment declines.

Other Transfers – The FY2018 budget is proposed at \$150 thousand, a decrease of \$75 thousand. The subsidy is the College's financial commitment to the operation of the Early Learning Children's Community.



## Tuition Increase Considerations

The College's proposed in-district tuition rate of \$103 is below the projected state-wide average.

The table Tuition Comparison with Michigan Community Colleges (see page [117](#)) shows a comparison of individual college tuition rates as of information available on June 13, 2017. The table below shows a comparison of LCC's In-District tuition to state averages.

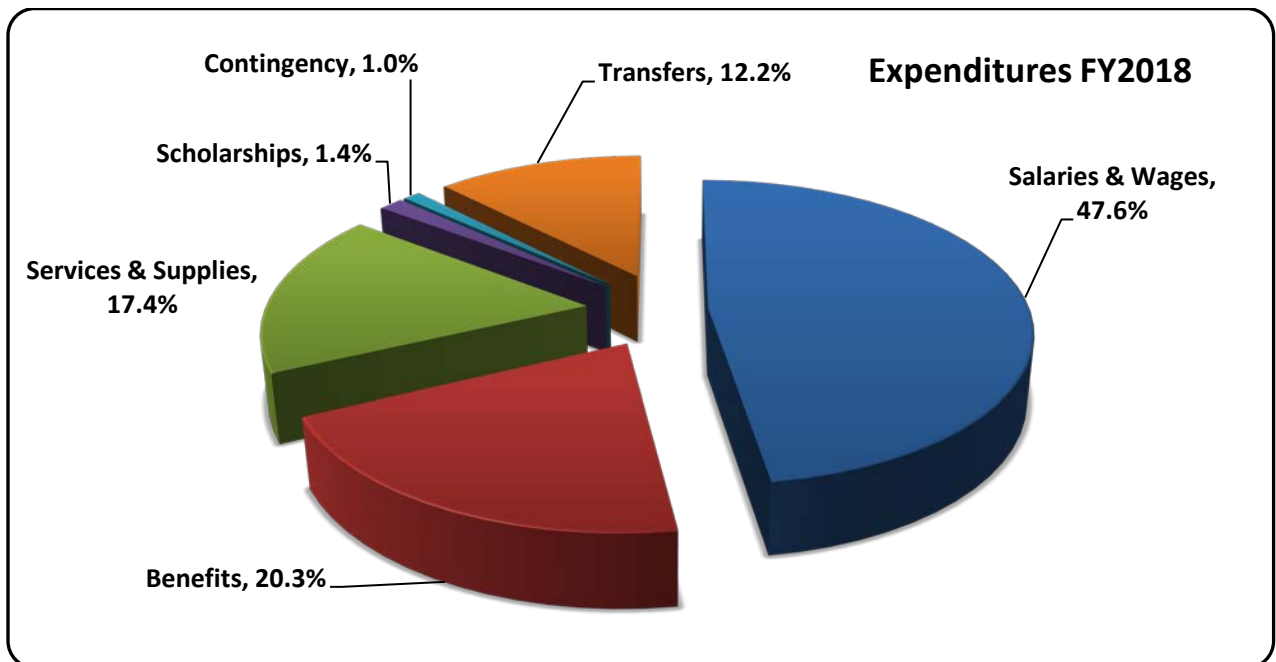
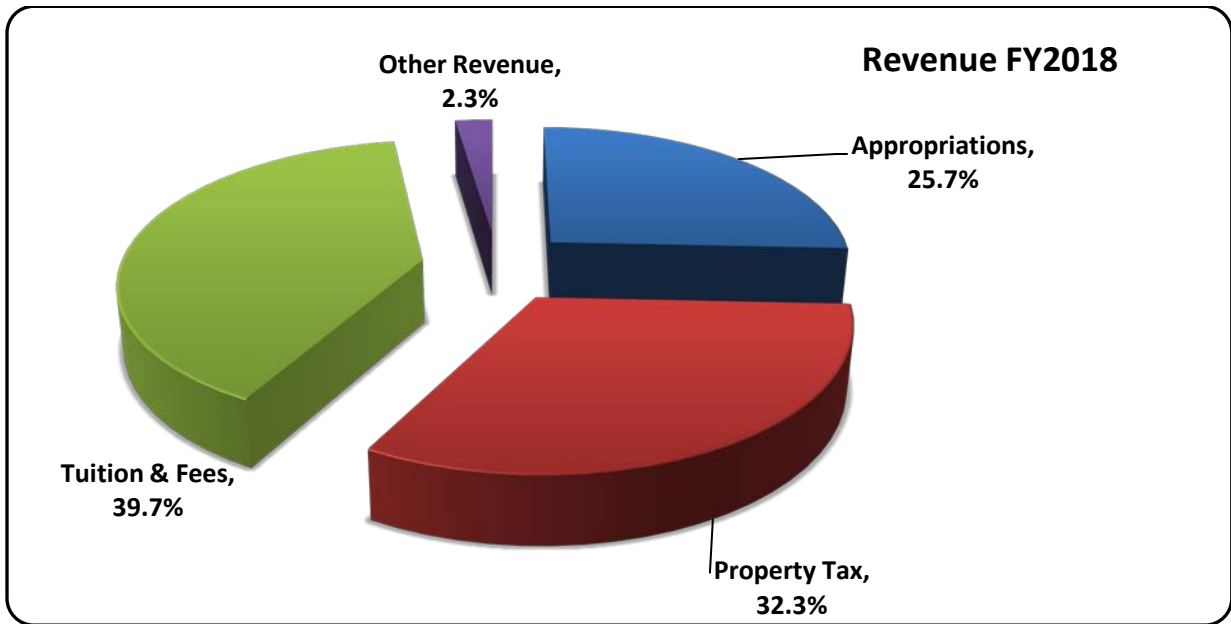
Tuition Rate Comparison			
	LCC Current	LCC Proposed	State Average Projected FY2018
In-District	\$99	\$103	\$111
In-State	\$198	\$206	\$187
Out-of-State	\$297	\$309	\$252
International	\$347	\$3	DNA*

**LANSING COMMUNITY COLLEGE**  
**Operating and Capital Budgets**  
**Proposed Budget Fiscal Year 2018**

	<b>Total Proposed FY2018 Budget</b>	
<b><u>Revenues</u></b>		
State Appropriations	\$32,410,000	
Property Taxes	\$40,709,000	
Tuition & Fees	\$50,106,000	
Other Revenues	\$2,950,000	
<b>Total Revenues</b>		<u>\$126,175,000</u>
<b><u>Operating Budgets</u></b>		
Salaries & Wages	\$60,115,000	
Employee Benefits	\$25,606,000	
<b>Total Salaries &amp; Benefits</b>		<u>\$85,721,000</u>
Services & Supplies		<u>\$21,956,000</u>
<b>Total Operating Budgets</b>		<u>\$107,677,000</u>
General Institutional Scholarships	\$1,495,000	
Child Care Scholarships	\$289,000	
<b><u>Total Student Financial Support Expense</u></b>		<u>\$1,784,000</u>
<b><u>Transfers</u></b>		
Grant Match	\$1,050,000	
Capital Equipment	\$1,100,000	
Debt Service, all Issues	\$6,896,000	
Physical Plant Improvement	\$3,062,000	
Technology Infrastructure	\$2,900,000	
Technology Fee	\$294,000	
Other Transfers	\$150,000	
<b>Total Transfers</b>		<u>\$15,452,000</u>
Contingency		<u>\$1,262,000</u>
<b>Total Expenses/Transfers/Contingency</b>		\$126,175,000
<b>Net Change in Unrestricted Net Assets</b>		\$0
<b>Unrestricted General Fund - Beginning of Year</b>		\$19,875,194
<b>Unrestricted General Fund - End of Year</b>		\$19,875,194

## LANSING COMMUNITY COLLEGE MAJOR SOURCES OF REVENUES AND EXPENSES

### Proposed Budget



# LANSING COMMUNITY COLLEGE

## Comparison of Proposed FY2018 Budget to FY2015 though FY2017

	FY2015 Actual	FY2016 Actual	FY2017 Adopted	FY2018 Proposed	Dollar Change	Percent Change
<b><u>Revenues</u></b>						
State Appropriations	\$31,112,791	\$31,545,505	\$32,176,000	\$32,410,000	\$234,000	0.7%
Property Taxes (less est for uncoll)	\$37,390,260	\$39,207,101	\$38,973,000	\$40,709,000	\$1,736,000	4.5%
Tuition & Fees (less est for uncoll)	\$49,110,493	\$46,840,847	\$53,280,000	\$50,106,000	(\$3,174,000)	-6.0%
Other Revenues	\$3,108,187	\$4,017,039	\$2,702,500	\$2,950,000	\$247,500	9.2%
<b>Total Revenues</b>	<b>\$120,721,731</b>	<b>\$121,610,492</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>	<b>(\$956,500)</b>	<b>-0.8%</b>
<b><u>Operating Budgets</u></b>						
Salaries & Wages	\$56,608,955	\$55,330,430	\$60,001,600	\$60,115,000	\$113,400	0.2%
Employee Benefits	\$25,030,919	\$24,053,176	\$25,371,700	\$25,606,000	\$234,300	0.9%
<b>Total Salaries + Benefits</b>	<b>\$81,639,874</b>	<b>\$79,383,606</b>	<b>\$85,373,300</b>	<b>\$85,721,000</b>	<b>\$347,700</b>	<b>0.4%</b>
Services & Supplies	\$19,473,806	\$21,306,928	\$21,175,200	\$21,956,000	\$780,800	3.7%
<b>Total Operating Expenses</b>	<b>\$101,113,680</b>	<b>\$100,690,534</b>	<b>\$106,548,500</b>	<b>\$107,677,000</b>	<b>\$1,128,500</b>	<b>1.1%</b>
Tuition Scholarships	\$1,217,547	\$1,279,776	\$1,423,000	\$1,495,000	\$72,000	5.1%
Child Care Scholarship	\$198,828	\$235,825	\$275,000	\$289,000	\$14,000	5.1%
<b>Total Student Financial Support Expenses</b>	<b>\$1,416,375</b>	<b>\$1,515,601</b>	<b>\$1,698,000</b>	<b>\$1,784,000</b>	<b>\$86,000</b>	<b>5.1%</b>
<b>Total Expenses</b>	<b>\$102,530,055</b>	<b>\$102,206,135</b>	<b>\$108,246,500</b>	<b>\$109,461,000</b>	<b>\$1,214,500</b>	<b>1.1%</b>
<b><u>Transfers In)/Out</u></b>						
Grant Match	\$1,245,174	\$991,539	\$1,094,000	\$1,050,000	(\$44,000)	-4.0%
Capital Equipment	\$1,135,000	\$1,000,000	\$1,100,000	\$1,100,000	\$0	0.0%
Debt Service, all Issues	\$8,756,000	\$8,581,000	\$8,908,000	\$6,896,000	(\$2,012,000)	-22.6%
Physical Plant Improvement	\$3,162,000	\$3,262,000	\$3,062,000	\$3,062,000	\$0	0.0%
Technology Infrastructure	\$3,100,000	\$2,900,000	\$2,900,000	\$2,900,000	\$0	0.0%
Technology Fee	\$350,898	\$321,333	\$325,000	\$294,000	(\$31,000)	-9.5%
Other Transfers	\$500,000	\$1,156,735	\$225,000	\$150,000	(\$75,000)	-33.3%
<b>Total Transfers</b>	<b>\$18,249,072</b>	<b>\$18,212,607</b>	<b>\$17,614,000</b>	<b>\$15,452,000</b>	<b>(\$2,162,000)</b>	<b>-12.3%</b>
<b>Contingency</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,271,000</b>	<b>\$1,262,000</b>	<b>(\$9,000)</b>	<b>-0.7%</b>
<b>Total Revenues</b>	<b>\$120,721,731</b>	<b>\$121,610,492</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>	<b>(\$956,500)</b>	<b>-0.8%</b>
<b>Total Allocation/Expenditures</b>	<b>\$120,779,127</b>	<b>\$120,418,742</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>	<b>(\$956,500)</b>	<b>-0.8%</b>
Board of Trustee Approved Transfers	(\$8,200,000)	\$0	\$0	\$0	\$0	0.0%
<b>Net Change in Unrestricted Fund Balance</b>	<b>(\$8,257,396)</b>	<b>\$1,191,750</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
Unrestricted General Fund Balance Beginning of Period	\$26,940,940	\$18,683,444	\$19,875,194	\$19,875,194		
<b>Unrestricted General Fund Balance End of Period</b>	<b>\$18,683,544</b>	<b>\$19,875,194</b>	<b>\$19,875,194</b>	<b>\$19,875,194</b>		

## Comparison of Proposed FY2018 Budget to FY2015 through FY2017 (continued) Operating Budgets

	FY2015 Actual **	FY2016 Actual **	FY2017 Adopted Budget *	FY2018 Proposed	Dollar Change	Percent Change
<b><u>Operating Budgets - Divisions</u></b>						
Academic Affairs	\$3,672,748	\$4,256,593	\$3,335,700	\$3,275,000	(\$60,700)	-1.8%
Administrative Services	\$11,659,781	\$11,863,872	\$11,793,900	\$12,267,600	\$473,700	4.0%
Advancement & External Affairs	\$2,925,870	\$3,048,011	\$3,242,200	\$3,294,200	\$52,000	1.6%
Arts & Science	\$24,146,432	\$26,264,300	\$26,576,300	\$26,320,100	(\$256,200)	-1.0%
Board of Trustees	\$205,803	\$250,322	\$273,800	\$282,500	\$8,700	3.2%
Community Ed & Workforce Devel	\$3,191,894	\$3,442,322	\$3,576,900	\$3,810,600	\$233,700	6.5%
Executive Office	\$2,747,530	\$3,219,871	\$3,200,300	\$3,252,600	\$52,300	1.6%
Financial Services	\$6,367,925	\$5,229,636	\$5,366,000	\$5,637,400	\$271,400	5.1%
Health & Human Services	\$11,711,317	\$10,789,777	\$11,453,400	\$11,271,600	(\$181,800)	-1.6%
Human Resources	\$1,634,872	\$1,722,275	\$1,969,000	\$1,979,800	\$10,800	0.5%
Information Technology Services	\$9,143,290	\$9,956,757	\$10,429,000	\$10,525,800	\$96,800	0.9%
Student Affairs	\$14,307,536	\$11,194,749	\$8,299,800	\$8,124,500	(\$175,300)	-2.1%
Student Success	\$0	\$0	\$6,334,500	\$6,607,100	\$272,600	4.3%
Technical Careers	\$9,398,682	\$9,452,049	\$10,697,700	\$11,028,200	\$330,500	3.1%
Total all Divisions	\$101,113,680	\$100,690,534	\$106,548,500	\$107,677,000	\$1,128,500	1.1%
<b><u>Operating Budgets - Account</u></b>						
Administrator Full Time	\$12,908,088	\$13,793,202	\$15,977,800	\$16,774,300	\$796,500	5.0%
Administrator Part Time	\$867,816	\$859,770	\$776,000	\$730,000	(\$46,000)	-5.9%
Faculty Full Time	\$15,128,804	\$14,518,251	\$15,526,800	\$15,906,700	\$379,900	2.4%
Faculty Part Time	\$15,250,650	\$13,942,827	\$14,157,400	\$13,575,500	(\$581,900)	-4.1%
Support Full Time	\$8,577,704	\$8,575,699	\$9,171,000	\$9,175,900	\$4,900	0.1%
Support Part Time	\$2,209,979	\$2,101,012	\$2,376,300	\$2,154,000	(\$222,300)	-9.4%
Student	\$1,665,914	\$1,539,669	\$2,016,300	\$1,798,600	(\$217,700)	-10.8%
Total Salaries and Wages	\$56,608,955	\$55,330,430	\$60,001,600	\$60,115,000	\$113,400	0.2%
Employee Benefits	\$25,030,919	\$24,053,176	\$25,371,700	\$25,606,000	\$234,300	0.9%
Non Capital Equipment	\$160,164	\$254,725	\$112,300	\$127,500	\$15,200	13.5%
Institutional Expenses	\$2,096,155	\$2,021,498	\$2,255,400	\$2,436,200	\$180,800	8.0%
Utilities	\$3,521,516	\$3,516,049	\$3,299,100	\$3,463,200	\$164,100	5.0%
Professional Services	\$1,301,554	\$1,593,100	\$1,331,500	\$1,273,200	(\$58,300)	-4.4%
Purchased Services	\$3,683,124	\$3,941,794	\$3,617,300	\$3,878,000	\$260,700	7.2%
Rental Expense	\$790,959	\$853,261	\$897,500	\$1,011,700	\$114,200	12.7%
Repair and Maintenance	\$1,474,884	\$1,671,033	\$1,682,800	\$1,616,000	(\$66,800)	-4.0%
Supplies	\$5,276,899	\$6,339,775	\$6,774,000	\$6,878,800	\$104,800	1.5%
Travel, Training and Conferences	\$1,168,551	\$1,115,693	\$1,205,300	\$1,271,400	\$66,100	5.5%
Total Services and Supplies	\$19,473,806	\$21,306,928	\$21,175,200	\$21,956,000	\$780,800	3.7%
Total Division Operating	\$101,113,680	\$100,690,534	\$106,548,500	\$107,677,000	\$1,128,500	1.1%



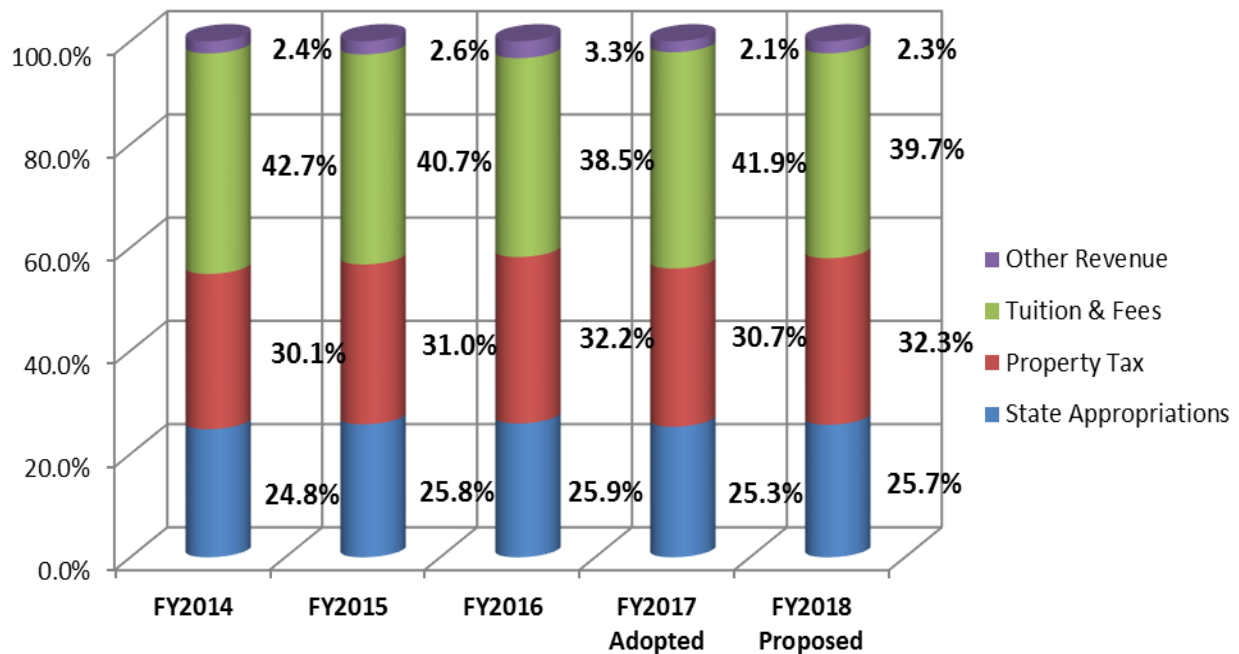
## Summary Table of Budgeted Full-time Positions FY2015 – FY2018

Division	Job type	FY15 Adopted	FY16 Adopted	FY17 Adopted	FY17 Adopted	Change (position reclasses included)	FY18 Proposal
Academic Affairs	Administrative	16.00	19.00	16.00	13.00	1.00	14.00
	Faculty	16.50	11.25	15.01	12.76	(7.13)	5.63
	Support	9.00	9.00	8.00	4.00	2.00	6.00
<b>Academic Affairs Total</b>		<b>41.50</b>	<b>39.25</b>	<b>39.01</b>	<b>29.76</b>	<b>(4.13)</b>	<b>25.63</b>
Administrative Services	Administrative	6.50	6.30	7.30	7.30	(1.00)	6.30
	Support	32.75	32.00	34.30	34.30	(1.60)	32.70
<b>Administrative Services Total</b>		<b>39.25</b>	<b>38.30</b>	<b>41.60</b>	<b>41.60</b>	<b>(2.60)</b>	<b>39.00</b>
Advancement and External Affairs	Administrative	12.75	12.75	12.75	12.75	0.00	12.75
	Support	8.00	8.00	8.00	8.00	0.00	8.00
<b>Advancement &amp; External Affairs Total</b>		<b>20.75</b>	<b>20.75</b>	<b>20.75</b>	<b>20.75</b>	<b>0.00</b>	<b>20.75</b>
Arts & Sciences	Administrative	13.00	10.00	11.00	11.00	0.00	11.00
	Faculty	114.50	114.00	111.99	111.99	3.13	115.12
	Support	11.00	11.00	11.00	11.00	2.00	13.00
<b>Arts &amp; Sciences Total</b>		<b>138.50</b>	<b>135.00</b>	<b>133.99</b>	<b>133.99</b>	<b>5.13</b>	<b>139.12</b>
Board of Trustees	Administrative	1.00	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>1.00</b>	<b>0.00</b>	<b>1.00</b>
Community Education & Workforce Development	Administrative	13.00	14.00	14.00	14.00	2.00	16.00
	Support	7.25	8.00	8.00	8.00	1.50	9.50
<b>CEWD Total</b>		<b>20.25</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>	<b>3.50</b>	<b>25.50</b>
Executive Offices	Administrative	8.00	9.00	11.00	10.00	(1.00)	9.00
	Faculty	0.50	0.00	0.00	0.00	0.00	0.00
	Support	4.00	4.00	5.00	5.00	0.00	5.00
<b>Executive Offices Total</b>		<b>12.50</b>	<b>13.00</b>	<b>16.00</b>	<b>15.00</b>	<b>(1.00)</b>	<b>14.00</b>
Financial Services	Administrative	21.71	22.00	22.00	22.00	3.00	25.00
	Support	28.00	29.00	31.00	31.00	(3.00)	28.00
<b>Financial Services Total</b>		<b>49.71</b>	<b>51.00</b>	<b>53.00</b>	<b>53.00</b>	<b>0.00</b>	<b>53.00</b>
Health and Human Services	Administrative	20.37	20.37	20.00	20.00	1.00	21.00
	Faculty	33.40	28.19	28.44	28.44	1.56	30.00
	Support	9.00	9.00	10.00	10.00	1.00	11.00
<b>Health and Human Services Total</b>		<b>62.77</b>	<b>57.56</b>	<b>58.44</b>	<b>58.44</b>	<b>3.56</b>	<b>62.00</b>
Human Resources	Administrative	7.00	7.00	7.00	7.00	1.00	8.00
	Faculty			0.00	0.00	0.25	0.25
	Support	5.00	6.00	6.00	6.00	0.00	6.00
<b>Human Resources Total</b>		<b>12.00</b>	<b>13.00</b>	<b>13.00</b>	<b>13.00</b>	<b>1.25</b>	<b>14.25</b>
Information Technology Services	Administrative	25.00	26.00	26.00	26.00	0.75	26.75
	Support	23.00	24.00	27.00	27.00	(0.83)	26.17
<b>Information Technology Services Total</b>		<b>48.00</b>	<b>50.00</b>	<b>53.00</b>	<b>53.00</b>	<b>(0.08)</b>	<b>52.92</b>
Student Affairs	Administrative	21.03	25.63	49.00	21.60	0.00	21.60
	Faculty	23.56	25.56	28.56	18.56	(0.56)	18.00
	Support	34.50	37.00	37.25	31.50	3.00	34.50
<b>Student Affairs Total</b>		<b>79.09</b>	<b>88.19</b>	<b>114.81</b>	<b>71.66</b>	<b>2.44</b>	<b>74.10</b>
Student Success	Administrative	0.00	0.00	0.00	31.40	2.10	33.50
	Faculty	0.00	0.00	0.00	12.25	(0.25)	12.00
	Support	0.00	0.00	0.00	9.75	(0.25)	9.50
<b>Student Success Total</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>53.40</b>	<b>1.60</b>	<b>55.00</b>
Technical Careers	Administrative	10.00	8.00	13.00	13.00	1.00	14.00
	Faculty	40.50	38.00	38.75	38.75	1.80	40.55
	Support	7.00	11.00	11.00	11.00	0.00	11.00
<b>Technical Careers Total</b>		<b>57.50</b>	<b>57.00</b>	<b>62.75</b>	<b>62.75</b>	<b>2.80</b>	<b>65.55</b>
<b>Grand Total</b> (Rounded to whole numbers)		<b>582.82</b>	<b>586.05</b>	<b>629.35</b>	<b>629.35</b>	<b>12.47</b>	<b>641.82</b>
<b>Administrative ***</b>		<b>175.36</b>	<b>181.05</b>	<b>210.05</b>	<b>210.05</b>	<b>9.85</b>	<b>219.90</b>
<b>Faculty</b>		<b>228.96</b>	<b>217.00</b>	<b>222.75</b>	<b>222.75</b>	<b>(1.20)</b>	<b>221.55</b>
<b>Support</b>		<b>178.50</b>	<b>188.0</b>	<b>196.55</b>	<b>196.55</b>	<b>3.82</b>	<b>200.37</b>
<b>Total</b>		<b>582.82</b>	<b>586.05</b>	<b>629.35</b>	<b>629.35</b>	<b>12.47</b>	<b>641.82</b>
*** Includes both supervisory and non-supervisory exempt employees							

# **LANSING COMMUNITY COLLEGE** **SOURCES OF REVENUE** **Five-Year Trend**

Account Description	FY2014	FY2015	FY2016	FY2017 Adopted	FY2018 Proposed
State Appropriations	\$30,303,400	\$31,112,800	\$31,545,500	\$32,176,000	\$32,410,000
Property Tax	\$36,718,200	\$37,390,200	\$39,207,100	\$38,973,000	\$40,709,000
Tuition & Fees	\$52,168,800	\$49,110,500	\$46,840,900	\$53,280,000	\$50,106,000
Other Revenue	\$2,871,700	\$3,108,200	\$4,017,000	\$2,702,500	\$2,950,000
<b>Total Revenues</b>	<b>\$122,062,100</b>	<b>\$120,721,700</b>	<b>\$121,610,500</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>

## **Source and Percent of Total Revenue**



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

	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Adopted	FY2018 Proposed
<b><u>Revenues</u></b>					
State Appropriations	\$30,303,385	\$31,112,791	\$31,545,505	\$32,176,000	\$32,410,000
Property Taxes (less est for uncoll)	\$36,718,154	\$37,390,260	\$39,207,101	\$38,973,000	\$40,262,000
Tuition & Fees (less est for uncoll)	\$52,168,821	\$49,110,493	\$46,840,847	\$53,280,000	\$50,553,000
Other Revenues	\$2,871,718	\$3,108,187	\$4,017,039	\$2,702,500	\$2,950,000
<b>Total Revenues</b>	<b>\$122,062,078</b>	<b>\$120,721,731</b>	<b>\$121,610,492</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>
<b><u>Operating Budgets</u></b>					
Salaries & Wages	\$56,885,631	\$56,608,955	\$55,330,429	\$60,001,600	\$60,115,000
Employee Benefits	\$23,526,613	\$25,030,919	\$24,053,176	\$25,371,700	\$25,606,000
<b>Total Salaries + Benefits</b>	<b>\$80,412,244</b>	<b>\$81,639,874</b>	<b>\$79,383,605</b>	<b>\$85,373,300</b>	<b>\$85,721,000</b>
Services & Supplies	\$18,961,750	\$19,473,806	\$21,306,927	\$21,175,200	\$21,956,000
<b>Total Operating Expense</b>	<b>\$99,373,994</b>	<b>\$101,113,680</b>	<b>\$100,690,532</b>	<b>\$106,548,500</b>	<b>\$107,677,000</b>
Tuition Scholarships	\$1,226,489	\$1,217,547	\$1,279,776	\$1,423,000	\$1,495,000
Child Care Scholarship	\$197,810	\$198,828	\$235,825	\$275,000	\$289,000
<b>Total Student Financial Support Expense</b>	<b>\$1,424,299</b>	<b>\$1,416,375</b>	<b>\$1,515,601</b>	<b>\$1,698,000</b>	<b>\$1,784,000</b>
<b><u>Transfers</u></b>					
Grant Match	\$1,360,616	\$1,245,174	\$991,539	\$1,094,000	\$1,050,000
Capital Equipment	\$1,135,000	\$1,135,000	\$1,000,000	\$1,100,000	\$1,100,000
Debt Service	\$8,752,000	\$8,756,000	\$8,581,000	\$8,908,000	\$6,896,000
Physical Plant Improvement	\$3,075,000	\$3,162,000	\$3,262,000	\$3,062,000	\$3,062,000
Student Services Technology Project	\$0	\$500,000	\$0	\$0	\$0
Technology Infrastructure	\$2,715,000	\$3,100,000	\$2,900,000	\$2,900,000	\$2,900,000
Technology Fee	\$387,083	\$350,898	\$321,333	\$325,000	\$294,000
Other Transfers	\$487,000	\$0	\$1,156,735	\$225,000	\$150,000
<b>Total Transfers</b>	<b>\$17,911,699</b>	<b>\$18,249,072</b>	<b>\$18,212,607</b>	<b>\$17,614,000</b>	<b>\$15,452,000</b>
<b>Contingency</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,271,000</b>	<b>\$1,262,000</b>
<b>Total Revenues</b>	<b>\$122,062,078</b>	<b>\$120,721,731</b>	<b>\$121,610,492</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>
<b>Total Allocation/Expenditures</b>	<b>\$118,709,992</b>	<b>\$120,779,127</b>	<b>\$120,418,740</b>	<b>\$127,131,500</b>	<b>\$126,175,000</b>
<b>Change in Unrestricted Fund Balance</b>	<b>\$3,352,086</b>	<b>(\$57,396)</b>	<b>\$1,191,752</b>	<b>\$0</b>	<b>\$0</b>
Board of Trustee Approved Transfers	\$0	(\$8,200,000)	\$0	\$0	
<b>Net Change in Unrestricted Fund Balance</b>	<b>\$3,352,086</b>	<b>(\$8,257,396)</b>	<b>\$1,191,752</b>	<b>\$0</b>	<b>\$0</b>
Unrestricted General Fund Balance Beginning of Period	\$23,588,752	\$26,940,838	\$18,683,442	\$19,875,194	
<b>Unrestricted General Fund Balance End of Period</b>	<b>\$26,940,838</b>	<b>\$18,683,442</b>	<b>\$19,875,194</b>	<b>\$19,875,194</b>	<b>\$0</b>

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

	FY2014	FY2015	FY2016	FY2017	FY2018
	Actual	Actual	Actual	Adopted (restated)	Proposed
<b><u>Operating Budgets - Divisions</u></b>					
Academic Affairs	\$2,803,862	\$3,672,748	\$4,256,593	\$3,335,700	\$3,275,000
Administrative Services	\$11,568,451	\$11,659,781	\$11,863,872	\$11,793,900	\$12,267,600
Advancement & External Affairs	\$2,697,872	\$2,925,870	\$3,048,011	\$3,242,200	\$3,294,200
Arts & Science	\$24,751,302	\$24,146,432	\$26,264,300	\$26,576,300	\$26,320,100
Board of Trustees	\$216,166	\$205,803	\$250,322	\$273,800	\$282,500
Community Ed & Workforce Devel	\$2,493,154	\$3,191,894	\$3,442,322	\$3,576,900	\$3,810,600
Executive Office	\$3,532,399	\$2,747,530	\$3,219,871	\$3,200,300	\$3,252,600
Financial Services	\$4,699,272	\$6,367,925	\$5,229,636	\$5,366,000	\$5,637,400
Health & Human Services	\$11,571,805	\$11,711,317	\$10,789,777	\$11,453,400	\$11,271,600
Human Resources	\$1,607,607	\$1,634,872	\$1,722,275	\$1,969,000	\$1,979,800
Information Technology Services	\$9,250,206	\$9,143,290	\$9,956,757	\$10,429,000	\$10,525,800
Student Affairs	\$14,550,461	\$14,307,536	\$11,194,749	\$8,299,800	\$8,124,500
Student Success	\$0	\$0	\$0	\$6,334,500	\$6,607,100
Technical Careers	\$9,631,437	\$9,398,682	\$9,452,046	\$10,697,700	\$11,028,200
Total all Divisions	\$99,373,994	\$101,113,680	\$100,690,531	\$106,548,500	\$107,677,000
<b><u>Operating Budgets - Account</u></b>					
Administrator Full Time	\$11,987,593	\$12,908,088	\$13,793,202	\$15,977,900	\$16,774,300
Administrator Part Time	\$1,151,071	\$867,816	\$859,770	\$776,000	\$730,000
Faculty Full Time	\$14,611,073	\$15,128,804	\$14,518,250	\$15,526,800	\$15,906,700
Faculty Part Time	\$16,560,361	\$15,250,650	\$13,942,827	\$14,157,400	\$13,575,500
Support Full Time	\$8,402,769	\$8,577,704	\$8,575,699	\$9,171,000	\$9,175,900
Support Part Time	\$2,395,969	\$2,209,979	\$2,101,012	\$2,376,200	\$2,154,000
Student	\$1,776,795	\$1,665,914	\$1,539,669	\$2,016,300	\$1,798,600
Total Salaries and Wages	\$56,885,631	\$56,608,955	\$55,330,429	\$60,001,600	\$60,115,000
Employee Benefits	\$23,526,613	\$25,030,919	\$24,053,176	\$25,371,700	\$25,606,000
Non Capital Equipment	\$192,874	\$160,164	\$254,725	\$112,300	\$127,500
Institutional Expenses	\$2,070,900	\$2,096,155	\$2,021,498	\$2,255,400	\$2,436,200
Utilities	\$3,241,440	\$3,521,516	\$3,516,049	\$3,299,100	\$3,463,200
Professional Services	\$1,512,102	\$1,301,554	\$1,593,100	\$1,381,000	\$1,273,200
Purchased Services	\$3,667,494	\$3,683,124	\$3,941,794	\$3,567,800	\$3,878,000
Rental Expense	\$816,802	\$790,959	\$853,261	\$897,500	\$1,011,700
Repair and Maintenance	\$1,060,415	\$1,474,884	\$1,671,033	\$1,682,800	\$1,616,000
Supplies	\$5,336,346	\$5,276,899	\$6,339,775	\$6,774,000	\$6,878,800
Travel, Training and Conferences	\$1,063,377	\$1,168,551	\$1,115,693	\$1,205,300	\$1,271,400
Total Services and Supplies	\$18,961,750	\$19,473,806	\$21,306,928	\$21,175,200	\$21,956,000
Total Division Operating	\$99,373,994	\$101,113,680	\$100,690,533	\$106,548,500	\$107,677,000

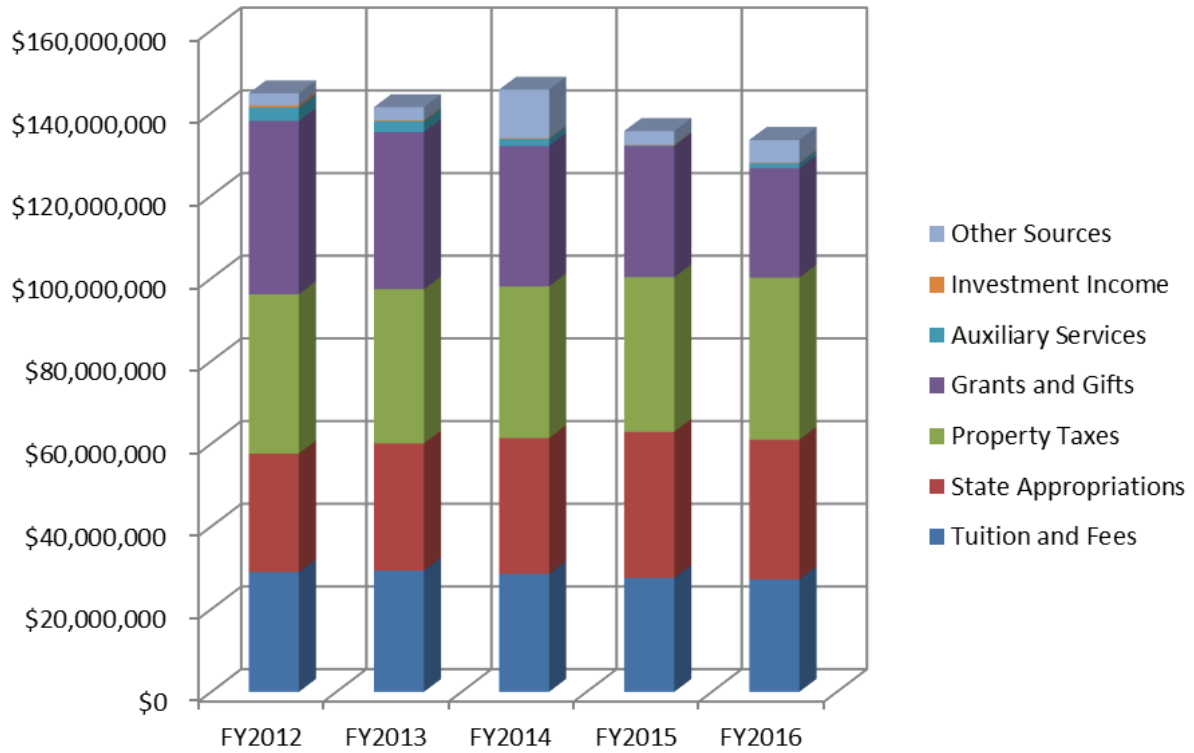
# LANSING COMMUNITY COLLEGE REVENUE AND EXPENSE BY ACTIVITY – ALL FUNDS FIVE-YEAR HISTORY

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 expense 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.

	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Revenue:</b>					
Tuition and Fees*	\$28,979,245	\$29,363,192	\$28,554,591	\$27,560,464	\$27,216,821
State Appropriations	\$28,651,900	\$30,724,364	\$32,824,815	\$35,344,860	\$33,761,131
Property Taxes	\$38,543,630	\$37,294,876	\$36,718,154	\$37,390,260	\$39,207,101
Grants and Gifts	\$41,908,061	\$38,016,087	\$33,935,196	\$31,726,143	\$26,477,439
Auxiliary Services	\$3,303,012	\$2,641,831	\$1,701,672	\$158,246	\$1,200,923
Investment Income	\$509,745	\$224,494	\$177,187	\$139,381	\$156,030
Other Sources	\$2,851,475	\$3,135,003	\$11,753,573	\$3,317,276	\$5,475,403
<b>Total Revenue</b>	<b>\$144,747,068</b>	<b>\$141,399,847</b>	<b>\$145,665,188</b>	<b>\$135,636,630</b>	<b>\$133,494,848</b>
<b>Expenditures:</b>					
Instruction	\$48,921,597	\$48,827,540	\$47,495,410	\$45,539,843	\$46,417,111
Instructional Support	\$21,545,150	\$22,020,718	\$21,917,746	\$23,323,896	\$24,916,745
<b>Total Instruction</b>	<b>\$70,466,747</b>	<b>\$70,848,258</b>	<b>\$69,413,156</b>	<b>\$68,863,739</b>	<b>\$71,333,856</b>
Public Services	\$3,164,438	\$2,196,929	\$2,162,257	\$2,015,322	\$2,157,956
Student Services	\$26,742,055	\$20,559,075	\$17,926,228	\$15,240,309	\$13,207,329
Institutional Admin	\$12,029,791	\$12,999,388	\$16,630,435	\$18,125,659	\$20,538,563
Facilities Management	\$20,331,085	\$20,658,004	\$20,660,650	\$21,885,841	\$24,463,429
Depreciation	\$8,170,195	\$8,726,093	\$6,978,813	\$7,262,393	\$7,834,826
<b>Total Expenditures</b>	<b>\$140,904,311</b>	<b>\$135,987,747</b>	<b>\$133,771,539</b>	<b>\$133,393,263</b>	<b>\$139,535,959</b>
Expenditures and Transfers	\$3,842,757	\$5,412,100	\$11,893,649	\$2,243,367	(\$6,041,111)
Beginning Net Position	\$139,621,486	\$143,464,243	\$148,876,343	\$160,769,992	\$42,733,246
Implement GASB 68	\$0	\$0	\$0	(\$120,280,113)	\$0
<b>Ending Net Position</b>	<b>\$143,464,243</b>	<b>\$148,876,343</b>	<b>\$160,769,992</b>	<b>\$42,733,246</b>	<b>\$36,692,135</b>

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

## REVENUE SOURCES – ALL FUNDS FIVE-YEAR HISTORY



**RESTRICTED FUND  
REVENUE AND EXPENSE BY ACTIVITY  
FIVE-YEAR HISTORY**

	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Revenue:</b>					
Federal Grants/Contracts	\$37,735,829	\$33,573,434	\$29,889,468	\$26,699,753	\$22,260,990
State Grants/Contracts	\$1,236,128	\$1,414,642	\$1,202,810	\$1,709,876	\$1,626,922
Local Grants/Contracts	\$1,516,465	\$1,650,126	\$1,315,061	\$1,838,972	\$988,027
Other Sources	\$84,899	\$1,299,224	\$3,146,600	\$5,087,713	\$8,181,394
<b>Total Revenue</b>	<b>\$40,573,321</b>	<b>\$37,937,426</b>	<b>\$35,553,939</b>	<b>\$35,336,314</b>	<b>\$33,057,333</b>
<b>Expenditures:</b>					
Instruction	\$1,117,219	\$939,403	\$1,403,123	\$1,338,000	\$2,062,645
Instructional Support	\$1,905,734	\$2,594,148	\$3,467,268	\$4,110,619	\$3,428,052
<b>Total Instruction</b>	<b>\$3,022,953</b>	<b>\$3,533,551</b>	<b>\$4,870,391</b>	<b>\$5,448,619</b>	<b>\$5,490,697</b>
Public Services	\$673,406	\$640,766	\$425,903	\$367,907	\$554,835
Student Services	\$37,595,717	\$33,540,712	\$28,697,143	\$25,279,792	\$21,335,817
Institutional Administration	\$416,586	\$1,426,992	\$2,792,899	\$4,840,488	\$6,256,051
Facilities Management	\$217,734	\$258,357	\$128,219	\$84,688	\$74,512
<b>Total Expenditures</b>	<b>\$41,926,396</b>	<b>\$39,400,378</b>	<b>\$36,914,555</b>	<b>\$36,021,494</b>	<b>\$33,711,912</b>
<b>Transfers In (Out):</b>					
Other	\$1,353,075	\$1,291,334	\$1,360,616	\$838,120	\$501,639
<b>Total Transfers</b>	<b>\$1,353,075</b>	<b>\$1,291,334</b>	<b>\$1,360,616</b>	<b>\$838,120</b>	<b>\$501,639</b>
<b>Total Expenditures and Transfers</b>	<b>\$40,573,321</b>	<b>\$38,109,044</b>	<b>\$35,553,939</b>	<b>\$35,183,374</b>	<b>\$33,210,273</b>
<b>Change in Net Position</b>	<b>\$0</b>	<b>(\$171,618)</b>	<b>\$0</b>	<b>\$152,940</b>	<b>(\$152,940)</b>
<b>Beginning Net Position</b>	<b>\$171,618</b>	<b>\$171,618</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,940</b>
<b>Ending Net Position</b>	<b>\$171,618</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,940</b>	<b>\$0</b>

**DESIGNATED FUND  
REVENUE AND EXPENSE BY ACTIVITY  
FIVE-YEAR HISTORY**

	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Revenue:</b>					
Grants and Gifts	\$0	\$0	\$0	\$0	\$0
Corporate Service Fees	\$0	\$0	\$0	\$0	\$0
Work study Co-Op Programs	\$0	\$0	\$0	\$0	\$0
Other Sources	\$937,956	\$0	\$0	(\$17,732)	(\$9,160)
<b>Total Revenue</b>	<b>\$937,956</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$17,732)</b>	<b>(\$9,160)</b>
<b>Expenditures:</b>					
Instruction	\$0	\$0	\$0	\$0	\$0
Instructional Support	\$5,831	\$0	\$69,738	\$108,368	\$543,415
<b>Total Instruction</b>	<b>\$5,831</b>	<b>\$0</b>	<b>\$69,738</b>	<b>\$108,368</b>	<b>\$543,415</b>
Public Services	\$0	\$0	\$887	\$171,277	\$0
Student Services	\$753,209	\$0	\$0	\$753,188	\$0
Institutional Administration	\$156,037	\$0	\$53,321	\$250,448	\$25,840
Facilities Management	\$1,687	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$916,764</b>	<b>\$0</b>	<b>\$123,946</b>	<b>\$1,283,281</b>	<b>\$569,255</b>
<b>Transfers In (Out):</b>					
Other	\$0	\$1,200,000	\$387,083	\$1,152,224	\$835,300
<b>Total Transfers</b>	<b>\$0</b>	<b>\$1,200,000</b>	<b>\$387,083</b>	<b>\$1,152,224</b>	<b>\$835,300</b>
<b>Total Expenditures</b>					
<b>and Transfers</b>	<b>\$916,764</b>	<b>(\$1,200,000)</b>	<b>(\$263,137)</b>	<b>\$131,057</b>	<b>(\$266,045)</b>
<b>Change in Net Position</b>	<b>\$21,192</b>	<b>\$1,200,000</b>	<b>\$263,137</b>	<b>(\$148,789)</b>	<b>\$256,885</b>
<b>Beginning Net Position</b>	<b>(\$21,192)</b>	<b>\$0</b>	<b>\$1,200,000</b>	<b>\$1,463,137</b>	<b>\$1,314,348</b>
<b>Ending Net Position</b>	<b>\$0</b>	<b>\$1,200,000</b>	<b>\$1,463,137</b>	<b>\$1,314,348</b>	<b>\$1,571,233</b>



# AUXILIARY FUND REVENUE AND EXPENSE BY ACTIVITY FIVE-YEAR HISTORY

	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Revenue:</b>					
Tuition and Fees*	\$0	\$0	\$0	\$1,648,387	\$1,539,921
Sales & Services Educational activities	\$247,946	\$356,612	\$383,689	\$122,398	\$54
Sales & Services Auxiliary activities	\$3,303,012	\$2,641,831	\$1,701,672	\$157,892	\$1,200,923
Other sources	\$2,585	\$2,659	\$2,400	\$666,009	\$542,721
<b>Total Revenue</b>	<b>\$3,553,543</b>	<b>\$3,001,102</b>	<b>\$2,087,761</b>	<b>\$2,594,686</b>	<b>\$3,283,619</b>
<b>Expenditures:</b>					
Instruction	\$83,863	\$52,049	\$88,523	\$79,055	\$19,570
Instructional Support	\$358,373	\$377,146	\$138,481	\$177,796	\$35,734
<b>Total Instruction</b>	<b>\$442,236</b>	<b>\$429,195</b>	<b>\$227,004</b>	<b>\$256,851</b>	<b>\$55,304</b>
Public Services	\$29,599	\$30,264	\$25,276	\$13,033	\$14,618
Student Services	\$15,545	\$22,673	\$27,415	\$10,509	\$3,685
Institutional Administration	\$194,616	\$505,610	\$953,662	\$466,225	\$1,406,340
Facilities Management	\$2,781,805	\$2,630,229	\$2,361,934	\$871,753	\$1,050,307
<b>Total Expenditures</b>	<b>\$3,463,801</b>	<b>\$3,617,971</b>	<b>\$3,595,291</b>	<b>\$1,618,371</b>	<b>\$2,530,254</b>
<b>Transfers In (Out):</b>	\$400,000	\$400,000	\$400,000	(\$1,573,049)	\$282,606
<b>Total Expenditures &amp; Transfers</b>	<b>\$3,063,801</b>	<b>\$3,217,971</b>	<b>\$3,195,291</b>	<b>\$3,191,420</b>	<b>\$2,247,648</b>
<b>Change in Net Position</b>	\$489,742	(\$216,869)	(\$1,107,530)	(\$596,734)	\$1,035,971
<b>Beginning Net Position</b>	\$3,865,206	\$4,354,948	\$4,138,079	\$3,030,549	\$2,433,815
<b>Ending Net Position</b>	<b>\$4,354,948</b>	<b>\$4,138,079</b>	<b>\$3,030,549</b>	<b>\$2,433,815</b>	<b>\$3,469,786</b>
* Tuition and Fee revenues are net of Financial Aid received by students					

**PLANT FUND  
REVENUE AND EXPENSE BY ACTIVITY  
FIVE-YEAR HISTORY**

	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Revenue:</b>					
Other Sources	\$60,109	\$36,785	\$109,352	\$171,335	\$109,944
Capital gifts	\$0	\$1,300,000	\$50,000	\$0	\$0
State Appropriation	\$0	\$0	\$9,366,050	\$0	\$0
Investment return and other gains	\$426,563	\$70,353	\$57,300	\$12,000	\$16,689
Interest on Capital Assets (related debt)	(\$2,403,409)	(\$3,664,322)	(\$3,627,164)	(\$3,396,095)	(\$3,579,459)
<b>Total Revenue</b>	<b>(\$1,916,737)</b>	<b>(\$2,257,184)</b>	<b>\$5,955,538</b>	<b>(\$3,212,760)</b>	<b>(\$3,452,826)</b>
<b>Expenditures:</b>					
Instruction	\$849,245	\$0	\$0	\$0	\$0
Instructional Support	\$329,698	\$194,811	\$91,842	\$208,515	\$3,711
<b>Total Instruction</b>	<b>\$1,178,943</b>	<b>\$194,811</b>	<b>\$91,842</b>	<b>\$208,515</b>	<b>\$3,711</b>
Public Services	\$40,773	\$0	\$0	\$0	\$0
Student Services	\$181,106	\$10,500	\$0	\$0	\$0
Institutional Administration	\$100,574	\$1,142,859	\$2,220,844	\$837,521	\$0
Facilities Management	\$3,507,986	\$3,805,076	\$3,042,083	\$4,996,687	\$6,449,830
Depreciation	\$8,170,195	\$8,726,093	\$6,978,813	\$7,262,393	\$7,834,826
<b>Total Expenditures</b>	<b>\$13,179,577</b>	<b>\$13,879,339</b>	<b>\$12,333,582</b>	<b>\$13,305,116</b>	<b>\$14,288,367</b>
Transfers In (Out):	\$17,496,853	\$17,546,131	\$15,764,000	\$26,094,109	\$16,593,062
<b>Total Expenditures &amp; Transfers</b>	<b>(\$4,317,276)</b>	<b>(\$3,666,792)</b>	<b>(\$3,430,418)</b>	<b>(\$12,788,993)</b>	<b>(\$2,304,695)</b>
<b>Change in Net Position</b>	<b>\$2,400,539</b>	<b>\$1,409,608</b>	<b>\$9,385,956</b>	<b>\$9,576,233</b>	<b>(\$1,148,131)</b>
<b>Beginning Net Position</b>	<b>\$116,139,363</b>	<b>\$118,539,902</b>	<b>\$119,949,510</b>	<b>\$129,335,466</b>	<b>\$138,911,699</b>
<b>Ending Net Position</b>	<b>\$118,539,902</b>	<b>\$119,949,510</b>	<b>\$129,335,466</b>	<b>\$138,911,699</b>	<b>\$137,763,568</b>

**LANSING COMMUNITY COLLEGE  
FY2017 ACTIVE GRANT FUNDS DETAIL**

<b>Grant Name</b>	<b>Description</b>	<b>Originating Funds Agency</b>	<b>Start Date</b>	<b>End Date</b>	<b>Actual Award \$</b>
11-17 KCP-MICUP Student Transition Enrichment Program	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
12-16 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	7/31/2017	301,582
13-17 CCAMPIS Childcare Access	Funding to support campus-based childcare to increase student retention and completion of college.	US Dept of Education	10/1/2013	9/30/2017	1,327,480
13-17 TAA M-CAM	The Michigan Coalition for Advanced Manufacturing (M-CAM) supports training and education in four career pathways: CNC Machining, Welding/Fabrication, Multi-Skilled Technician, and Production Operations.	US Dept of Labor	10/1/2013	9/30/2017	2,114,000
15-18 DHS Independent Living Skills Coach	Funding to provide funds for Life Skills Coach(es) for students who are attending a community college in the State of Michigan and who are eligible for Youth In Transition funding.	MI Dept of Human Services	2/15/2015	2/14/2018	450,000
15-16 MSF Center for Manufacturing Excellence Equipment Expansion	Funding to purchase equipment for the new Center for Manufacturing Excellence at West Campus.	State of Michigan	4/1/2015	10/01/2017	5,000,000
16-17 AAC&U Committing to Equity and Inclusive Excellence	Funding to design, implement, and assess a campus action plan that can serve as a replicable, equity-focused model for improving student learning and success.	Association of American Colleges and Universities	1/19/2016	6/30/2018	20,000
16-18 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	6/1/2016	5/31/2018	200,000
16-17 The Early College State Foundation	State funding to support the Early College.	MI Dept of Education	8/23/2016	8/22/2017	1,523,489

**LANSING COMMUNITY COLLEGE  
FY2017 ACTIVE GRANT FUNDS DETAIL**

<b>Grant Name</b>	<b>Description</b>	<b>Originating Funds Agency</b>	<b>Start Date</b>	<b>End Date</b>	<b>Actual Award \$</b>
16-21 TRIO Student Support Services	Federal TRIO Programs are educational opportunity outreach programs designed to motivate and support students from disadvantaged backgrounds.	US Dept of Education	9 /1/2016	8 /31/2021	1,449,770
16-17 HSDCI State Foundation	State funding to support high school recapture program.	MI Dept of Education	9/1/2016	8/31/2017	387,619
16-17 NCWIT Aspire IT	Funding to support a coding class for high school girls to address the nation-wide desire to increase the number of females entering into IT-related jobs.	National Center for Women & Information Technology	9/16/2016	8/31/2017	3,000
16-17 Motorcycle Safety Training	Funding to provide motorcycle safety training.	State of Michigan	10/1/2016	9/30/2017	58,200
16-17 MDCH Mental Health & Aging Project	Provides funds to conduct training and provide resources for those who work with or care for the elderly who are facing mental health-related issues.	MI Dept of Human Services	10/1/2016	9/30/2017	153,221
17-17 Small Business Development Center	Funding to provide counseling, training, and research services at no or low cost to small businesses and potential entrepreneurs.	US Small Business Administration	1/1/2017	12/31/2017	196,860
17-17 MCCA Open Educational Resources	Funding to pay faculty to create, modify or adopt open educational resources for use in the classroom.	Michigan Community College Association	1/1/2017	12/31/2017	27,500
17-20 DOL Advance MI Apprenticeships	Funding, through the Advance Michigan Center for Apprenticeship Innovation (AMCAI), to support increased apprenticeships in the area of healthcare and manufacturing.	US Dept of Labor	1/1/2017	9/30/2020	240,000
17-18 Collin County Diversity Summit	Funding to provide support to the recruitment of female students into the CIT program to meet local industry demand and to address the disparity of gender.	National Science Foundation	3/1/2017	2/28/2018	10,000
17-18 Manufacturing Institute Veterans Funding	Funding to provide emergency funds and scholarships (for those in a manufacturing-related program) for student veterans.	Cooper Standard	5/1/2017	2/28/2018	7,900

**LANSING COMMUNITY COLLEGE  
FY2017 ACTIVE GRANT FUNDS DETAIL**

<b>Grant Name</b>	<b>Description</b>	<b>Originating Funds Agency</b>	<b>Start Date</b>	<b>End Date</b>	<b>Actual Award \$</b>
17-18 Perkins Local Annual (Pending)	Funding to provide vocational-technical education programs and services to youth and adults.	MI Dept of Education	7/1/2017	6/30/2018	838,271
17-18 Perkins Local Leadership (Pending)	Funding to support time and travel for the College's official Perkins representative.	MI Dept of Education	7/1/2017	6/30/2018	9,200
17-22 NSF ATE National Convergence Technology Center	Funding, through Collin County Community College District, to complete work for the National Center for Convergence Technology.	National Science Foundation	7/1/2017	6/30/2022	79,965
17-18 The Early College State Foundation	State funding to support the Early College.	MI Dept of Education	8/23/2017	8/22/2018	1,500,000
17-18 HSDCI State Foundation	State funding to support high school recapture program.	MI Dept of Education	9/1/2017	8/31/2018	366,420

# **STATISTICS AND APPENDIX**

## LANSING COMMUNITY COLLEGE SELECTED STATISTICS

With over 2,400 Full-Time Equivalent employees, LCC is the seventh largest employer in the capital area, falling from fifth (shown in 2008) in 2013. Other employers have increased employees to surpass LCC, rather than LCC reducing substantially.

### Top Ten Principal Employers 2017 Compared to 2008

2017				
Employer	Product/Service	Rank	# of Employees	% of Total District Population
State of Michigan	Government	1	15,000	3.78%
Michigan State University	Higher Education	2	12,516	3.15%
Sparrow Health System	Health Care	3	9,500	2.39%
General Motors Corporation	Automotive	4	5,153	1.46%
Ingham Regional Medical Center/McLaren	Health Care	5	3,000	0.76%
Lansing School District	Education	6	3,000	0.76%
Lansing Community College	Higher Education	7	2,424	0.61%
Meijer, Inc.	Retail	9	2,215	0.56%
Jackson National Life Insurance	Insurance	10	1,700	0.43%

2008				
Employer	Product/Service	Rank	# of Employees	% of Total District Population
State of Michigan	Government	1	14,365	3.70%
Michigan State University	Higher Education	2	10,500	3.18%
Sparrow Health System	Health Care	3	6,000	1.55%
General Motors Corporation	Automotive	4	5,000	1.29%
Lansing Community College	Higher Education	5	3,180	0.82%
Ingham Regional Medical Center	Health Care	6	2,500	0.64%
Lansing School District	Education	7	2,106	0.54%
Meijer, Inc.	Retail	8	2,000	0.52%
Auto Owners Insurance	Insurance	9	1,500	0.39%
Peckham Industries	Textiles, Auto Parts	10	1,400	0.36%

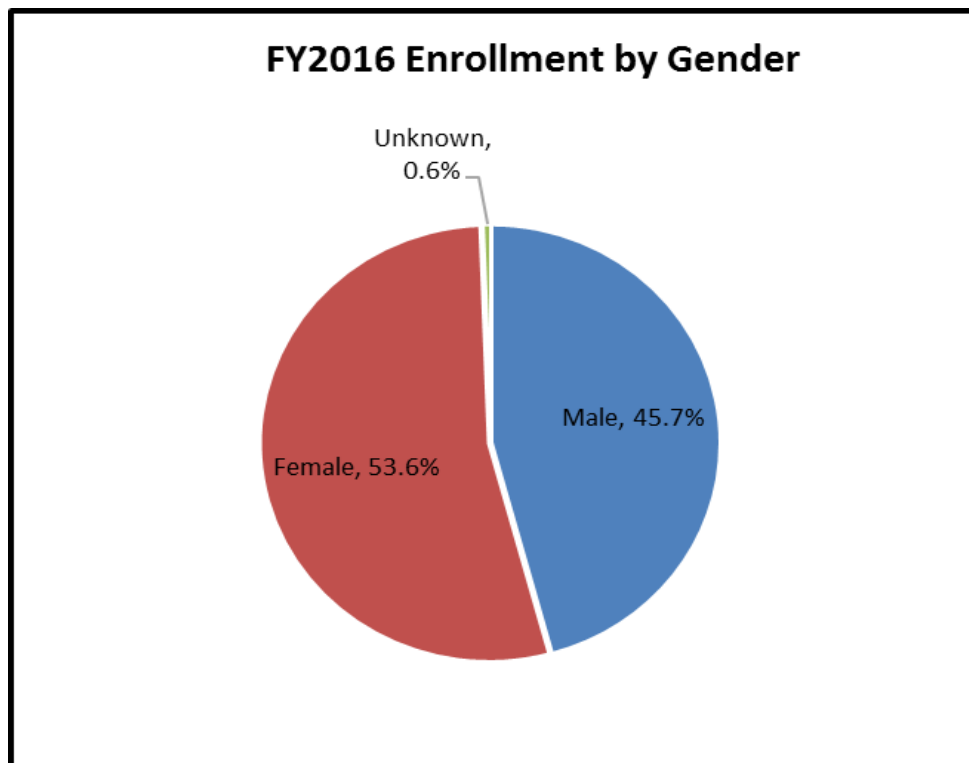
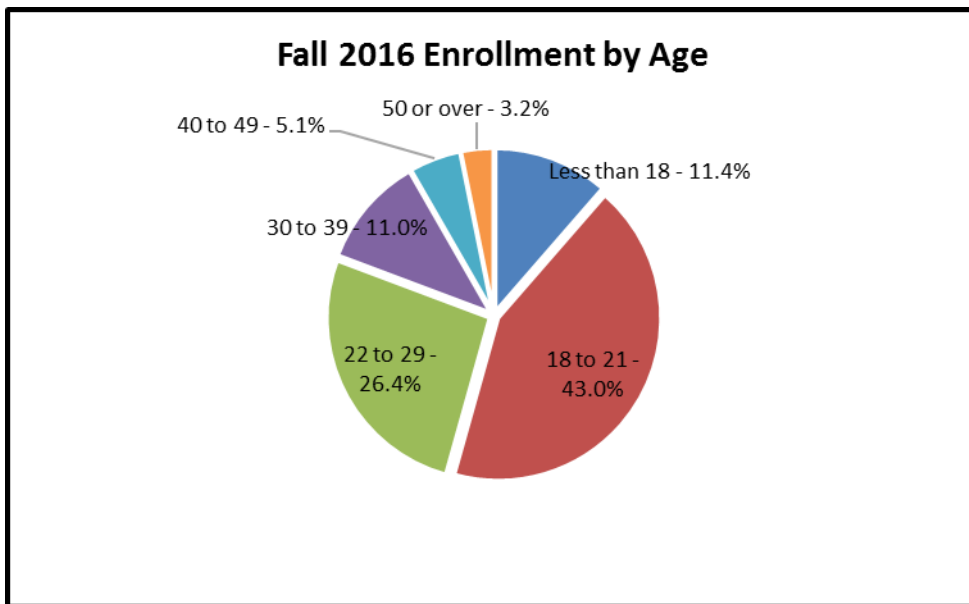
Source: Ingham County Economic Development Office

### Michigan Per Capita Income

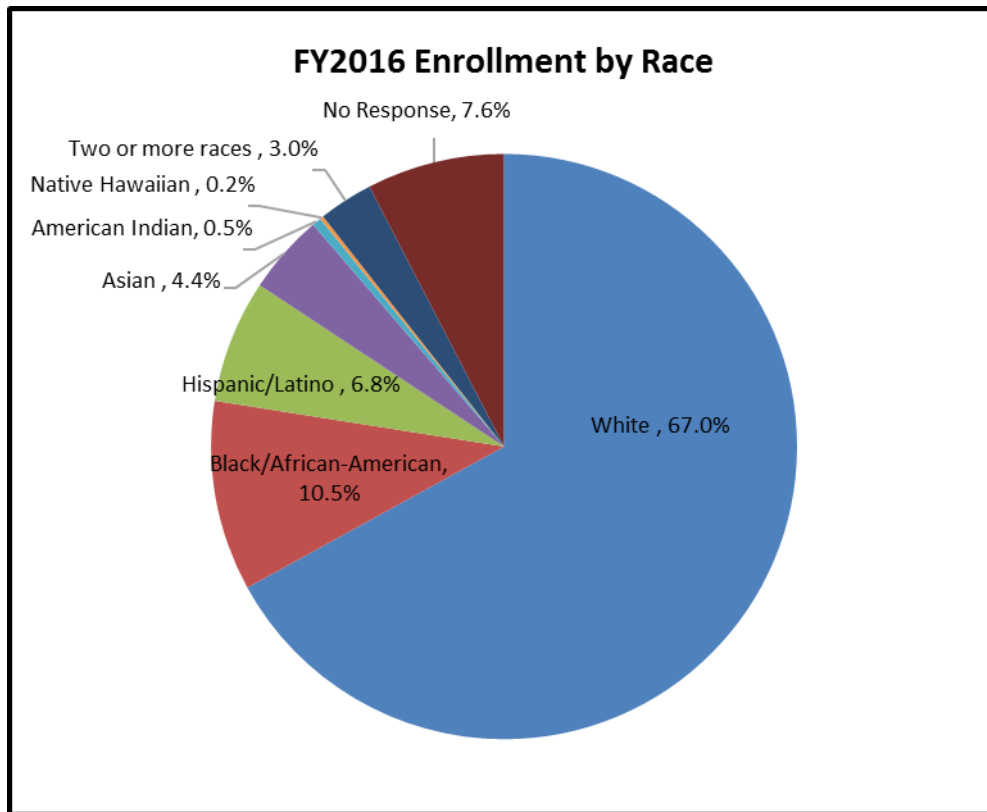
Michigan's population in 2016 was estimated at 9.9 million with a per capita personal income in 2016 of \$44,347, compare to a US per capita income for the same year of \$49,571. It ranked 33<sup>rd</sup> in the nation in Per Capita Personal Income.

Source: US Department of Commerce, Bureau of Economic Analysis

### LCC Student Enrollment Distribution

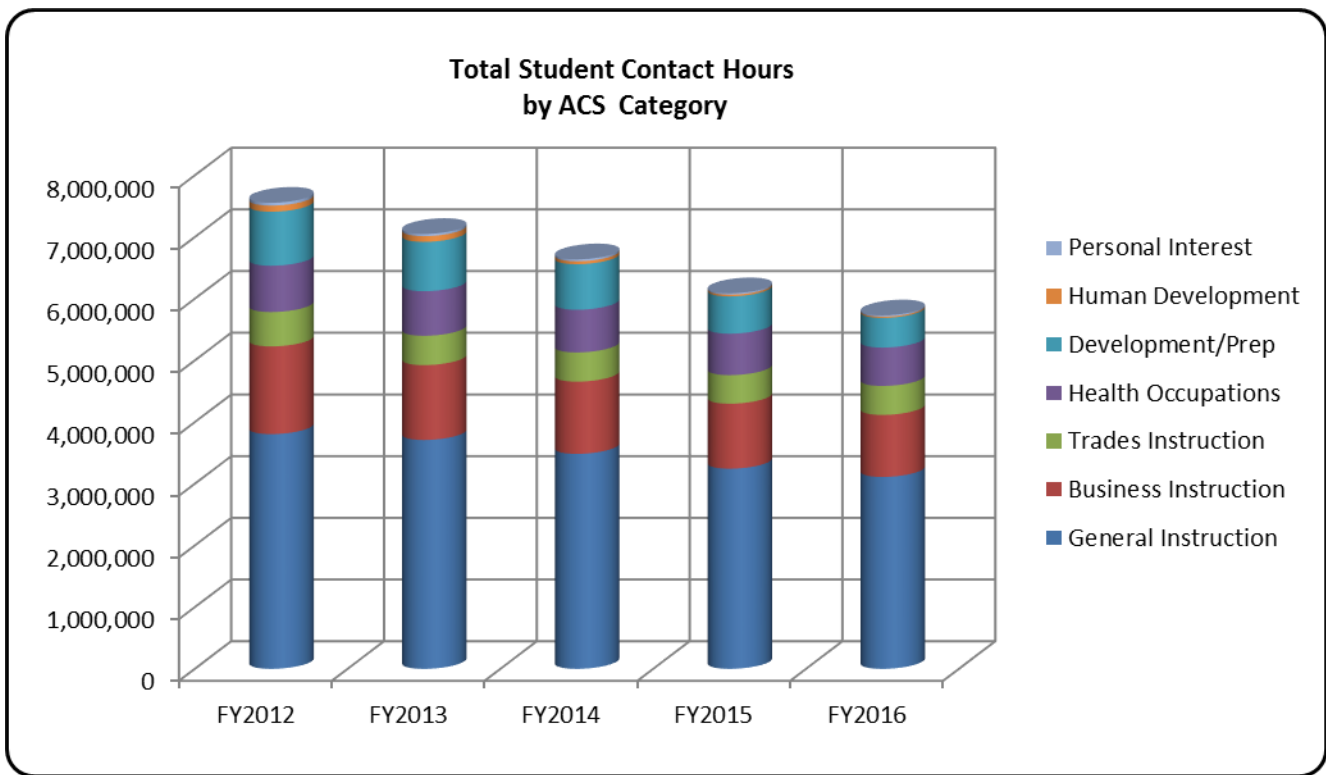






### Student Contact Hours by ACS Category FY2012-FY2016

ACS	FY2012	FY2013	FY2014	FY2015	FY2016
General Instruction	3,805,657	3,710,635	3,485,504	3,245,049	3,111,436
Business Instruction	1,421,839	1,213,571	1,170,990	1,053,612	1,005,454
Trades Instruction	557,268	475,734	473,548	463,411	469,965
Health Occupations	750,916	723,324	691,845	672,211	621,847
Development/Prep	875,808	799,316	738,579	604,870	481,104
Human Development	99,072	93,392	47,488	27,696	21,136
Personal Interest	45,850	34,853	30,909	21,657	19,661
<b>TOTAL</b>	<b>7,556,410</b>	<b>7,050,825</b>	<b>6,638,863</b>	<b>6,088,506</b>	<b>5,730,603</b>



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

LCC offers over 230 associate degree and certificate programs.

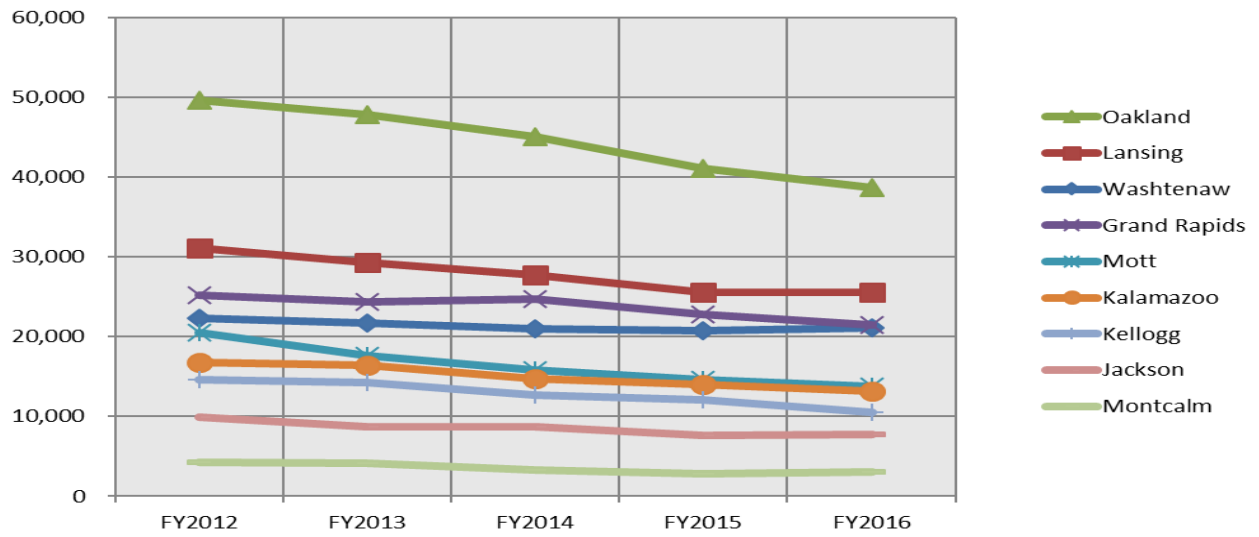
More than 400 international students from 53 countries attended LCC in 2015.

LCC graduates account for a large majority of the region's police, fire and regional allied health personnel.

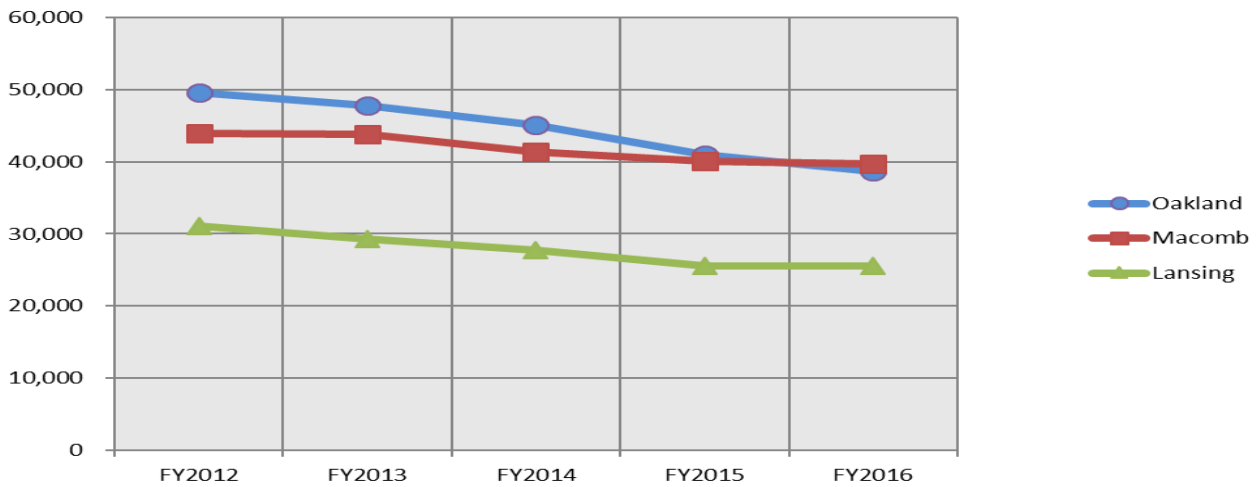
LCC's offers Military Medic to Paramedic, Advanced Emergency Medical Technician (EMT) to Paramedic and Advanced EMT to Registered selective admissions curricula as part of the offerings that recognize learning outside of the classroom and can award credit for experiential learning.

LCC has 3+1 agreements with nine universities in Michigan, including Central Michigan University, Ferris State University, Northwood University and Western Michigan University.

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



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



**Tuition Comparison with  
Michigan Community Colleges**

as of 8/16/17

		2016-17 Rates				2017-18 Proposed Rates					
	COLLEGE	In-Dist	In-State	Out- State	FY2018	In-Dist	In-Dist	In-State	In-State	Out- State	Out-State
					Source		% Increase		% Increase		% Increase
1	Alpena Community College	\$125	\$197	\$197	MCCBOA listserve	\$129	3.20%	\$203	3.05%	\$203	3.05%
2	Bay de Noc Community College	116	199	362	Web page	119	2.59%	205	3.02%	250	-30.94%
3	Delta College	100	170	320	Web page	107	7.54%	183	7.65%	344	7.50%
4	Glen Oaks Community College	109	172	206	MCCBOA listserve	112	2.75%	175	1.74%	209	1.46%
5	Gogebic Community College	110	156	185	Web page	115	4.55%	164	5.13%	194	4.86%
6	Grand Rapids Comm College	111	238	353	Web page	113	1.80%	242	1.68%	359	1.70%
7	Henry Ford College	93	161	230	MCCBOA listserve	96	3.23%	166	3.11%	240	4.35%
8	Jackson College	135	195	270	Web page	145	7.41%	217	11.28%	290	7.41%
9	Kalamazoo Valley Comm College	100	163	220	Web page	105	5.00%	180	10.43%	231	5.00%
10	Kellogg Community College	104	168	240	Web page	108	4.35%	175	4.48%	250	4.17%
11	Kirtland Community College	109	158	245	MCCBOA listserve	113	3.67%	166	5.06%	250	2.04%
12	Lake Michigan College	97	150	150	MCCBOA listserve	102	5.15%	158	5.00%	158	5.33%
13	Lansing Community College	99	198	297	Proposed	103	4.04%	206	4.04%	309	4.04%
14	Macomb Community College	97	180	230	MCCBOA listserve	100	3.09%	186	3.33%	237	3.04%
15	Mid Michigan Comm College	108	196	196	Web page	120	11.11%	202	3.06%	202	3.06%
16	Monroe County Comm College	107	186	207	MCCBOA listserve	107	0.00%	190	2.15%	212	2.17%
17	Montcalm Community College	105	199	325	MCCBOA listserve	108	2.86%	204	2.51%	333	2.46%
18	Mott Community College	130	183	261	Web page	138	5.88%	183	-0.26%	261	-0.15%
19	Muskegon Community College	102	190	265	Web page	105	2.94%	196	3.16%	274	3.40%
20	North Central Michigan College	108	179	232	Web page	113	4.63%	188	5.03%	244	5.17%
21	Northwestern Michigan College	104	205	268	Web page	104	0.00%	216	5.21%	281	4.99%
22	Oakland Community College	88	171	171	MCCBOA listserve	90	2.27%	174	1.75%	174	1.75%
23	Schoolcraft College	102	148	218	Web page	108	5.88%	157	6.08%	231	5.96%
24	Southwestern Michigan College	115	150	164	Web page	118	2.39%	154	2.50%	168	2.44%
25	St. Clair County Comm College	105	204	298	Web page	117	11.43%	227	11.27%	330	10.74%
26	Washtenaw Community College	94	155	208	MCCBOA listserve	95	1.06%	158	1.94%	214	2.88%
27	Wayne County Comm College	107	118	149	Web page	107	0.00%	118	0.00%	149	0.00%
28	West Shore Community College	96	160	220	Web page	100	4.17%	160	0.00%	220	0.00%
	AVERAGE	\$106	\$177	\$239		\$111	4.08%	\$184	4.10%	\$243	1.94%
DNA	Data Not Available										

## APPENDIX

### Expense Account Definitions

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

## 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.

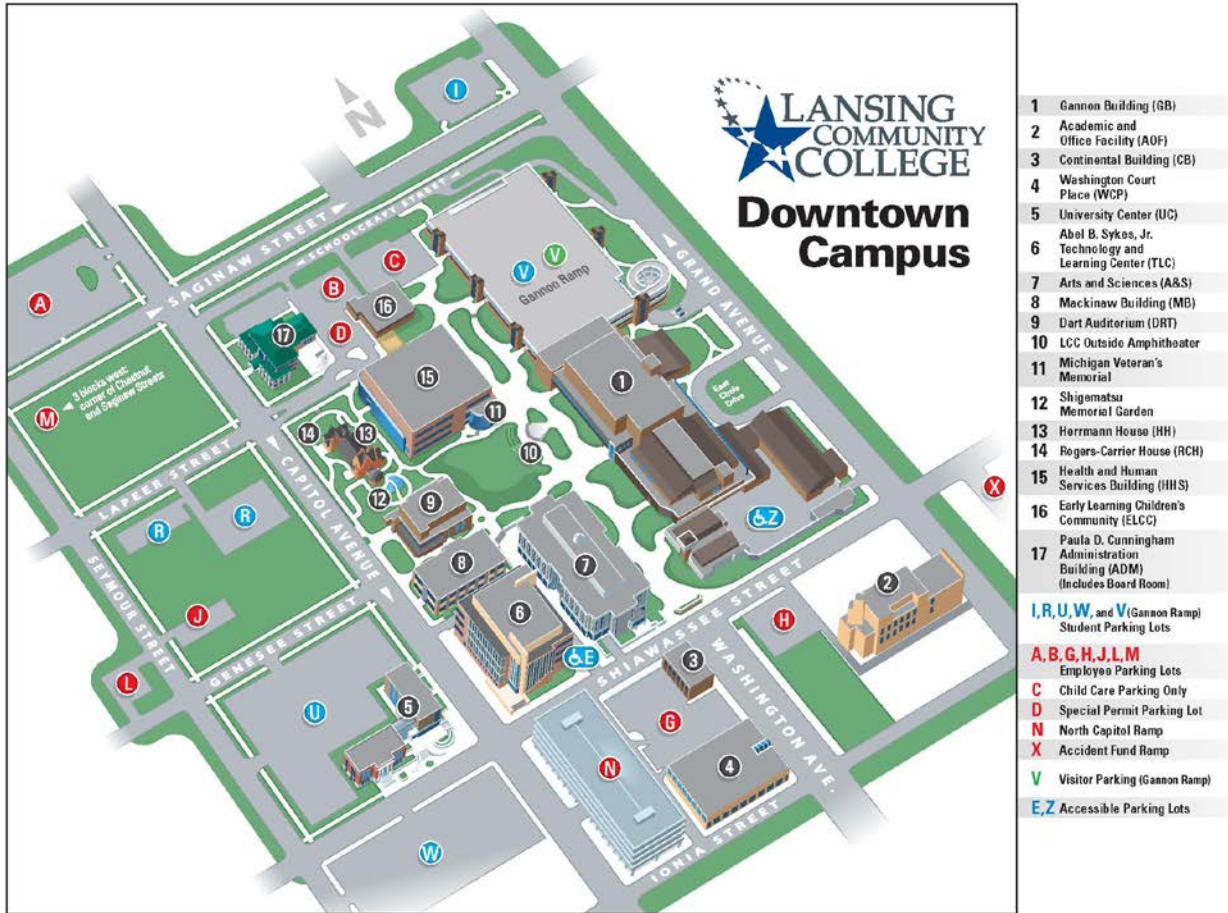
## INSTITUTIONAL ADMINISTRATION

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.

## Maps

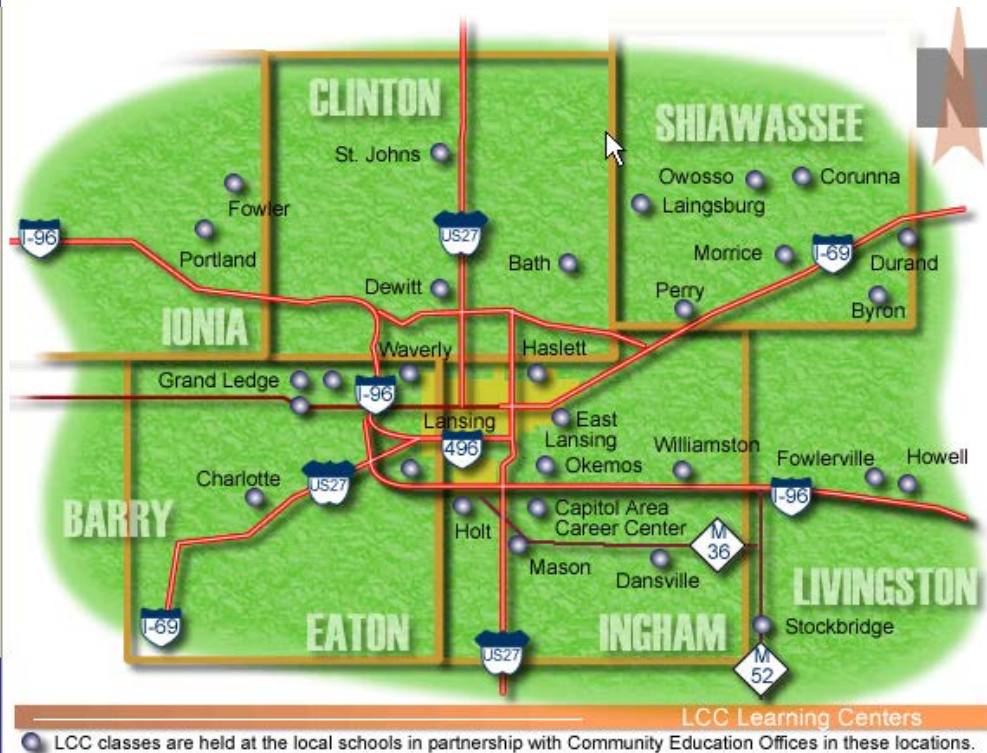




## LCC Resident Districts and Learning Centers



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.

## **Glossary of Terms**

### **Academic Senate**

An organization comprised of faculty, administrators and students to provide 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. Student learning is the ultimate goal of this body.

### **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 utilizes Banner for student, finance, financial aid and human resources/payroll.

### **Balanced Budget**

A budget in which revenues and expenditures are equal in value.

### **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; sabbatical leave, 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.

**Contact Hours Equated Student (CHES)**

A unit of measurement that converts part time student's semester contact hours to compare to full time students. CHES = 496 hours of instruction.

**Contingency**

Contingency funds are those appropriations set aside as a reserve for emergencies or unforeseen expenses. 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 expenses for the retirement of long term debt and expenses for interest on the debt.

**Deferred Inflow and Deferred Outflow**

Deferred Inflows and Deferred Outflows are resources that the College has expended or received, but the related expense or revenue are for a future period, therefore, the deferral of that expense or revenue is recorded in the Statement of Net Position. Deferred inflows and outflows are not assets or liabilities of the College as the resources are not within the College's control.

**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 Capital Projects, Auxiliary Fund and the Plant Fund.

**Educational Development Plan (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 expenses 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)**

A unit of measurement that converts part time student's semester credit hours to compare to full time students. FYES = 31 semester 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 expenses 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 expenses 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, restricted to use for 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.

**Grant Match**

An amount of money provided locally to supplement a grant award. The match may have different restrictions than the grant itself.

**Investment Income**

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

**Persistence**

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

**Plant Funds**

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

**Property Taxes**

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

- **State Equalized Value (SEV):** In Michigan this is 50% of the 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.

**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.

**Supplemental Instruction**

An academic support model using peer-assisted study sessions to improve student retention and success within targeted historically difficult courses.

**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.

**Technology Infrastructure Fund**

Part of the Plant Fund that accumulates monies for ongoing technical upgrades and replacements.

**Vacancy Factor**

A line item, set annually as a percentage of overall compensation, reducing the projected expense 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.