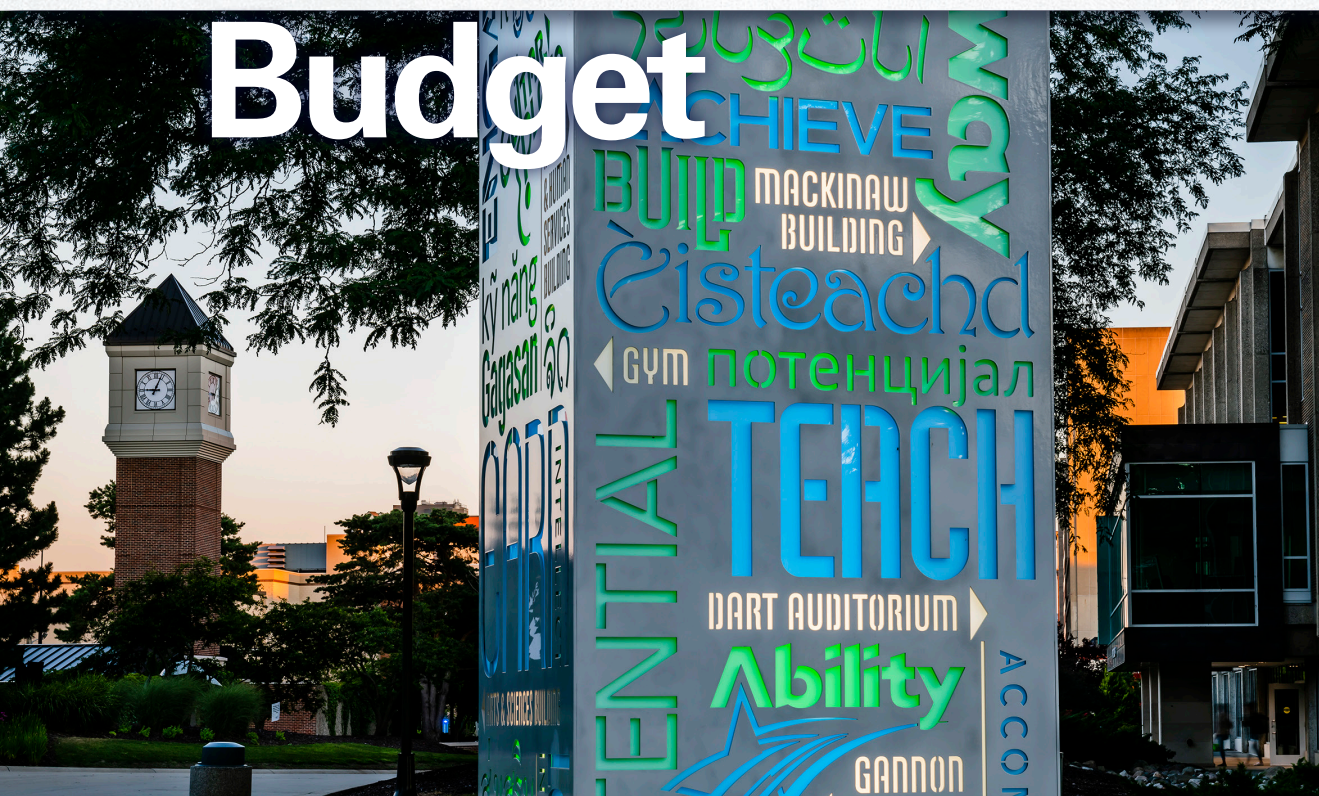




# Annual Budget



Fiscal Year Ending June 30, 2019



# **Lansing Community College**

## **FY 2018-2019 Strategic Planning & Budget**

**Lansing, Michigan**

# **LANSING COMMUNITY COLLEGE**

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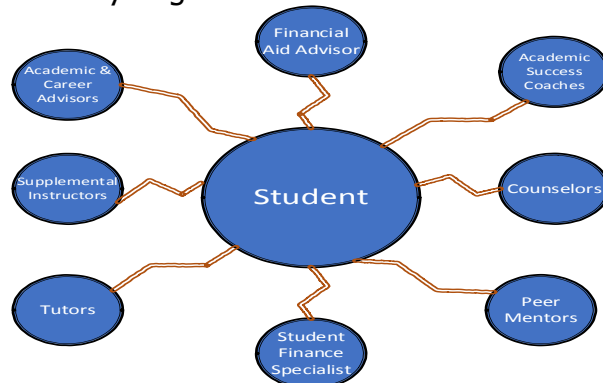
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## Joint Letter from the President and the Chief Financial Officer:

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

In November 2017, the Board of Trustees adopted LCC's Strategic Plan 2017-2020. The plan sets the institution's direction for the next three years and is integrated into the College's planning and budgeting processes to support student success and institutional growth. The key focus areas remain consistent with the previous plan, with the exception of combining Engaged Learning and Student Success. The key focus areas are: Engaged Learning and Student Success; Leadership, Culture and Communication; Community Engagement; Competitiveness and Innovation; and Resource Management and Fiscal Responsibility.

In-District tuition was increased by \$4 per billing hour for fiscal year 2018, continuing the increased level of service to promote student success begun in fiscal year 2017, when in-district tuition was increased by \$11 per billing hour to provide the resources to accelerate our work to provide "wrap-around" services for our students, utilizing best practices (see diagram below). The tuition increase provided an estimated \$1.8 million for additional staffing for Academic Success coaches and expanded tutoring services in FY2017. Since Fall semester of Academic Year 2018, every new student is automatically assigned to a coach when they begin at LCC.



At LCC, we know that about 68% of all new students place into developmental math. Of those students, only 9% go on to pass a college-level math course in their first year. Our reading and writing numbers aren't much better. About 33% of all new students place into developmental reading and writing. Of those students, only 24% go on to pass a college-level reading and writing course in their first year. While these numbers are dispiriting, they are not unique. Our data mirrors a national trend. Leading research suggests that there are better options. Eliminating the traditional developmental pathway in favor of placing students directly into college-level work but requiring additional, embedded academic support improves results. These support models vary, but often include tutoring, boot camps, intensive refreshers or seminars and supplemental instruction. For FY2019, \$1.2 million was ear-marked for the work

associated with redesigning developmental education and embedded academic support and an additional \$1.6 million for tutoring and supplemental instruction personnel was added to the general fund.

In student success, we have a considerable series of inter-related parts, and no one initiative or part stands on its own.

- Guided Pathways – enables students to follow a path where they are more likely to achieve a beneficial outcome and not lose credits or drop out.
- Robust coaching – research has shown too many students don't know how to navigate college, don't persist and fail to achieve. In fall 2017, for the first time, LCC employed a robust academic success coaching team. Early results clearly indicate that coached students have better retention rates than the general population.
- Tutoring – LCC has hired more tutors in Fall 2017 and are tutoring a higher percentage of our students than in the past.
- Open Education Resources (OER) –With the primary goal of reducing educational costs for students, LCC's OER supports student success by providing free or low-cost materials that are available from day one of a student's class and customizable to fit their learning needs. Currently, too many students compromise their success by choosing not to buy textbooks because of the cost.
- Early Alert – timely and meaningful feedback is an important part of the system for student success. The Early Alert generates a referral to the Academic Success Coach program so that students can be connected with assistance.
- Teaching – Faculty commitment and hard work plays the most important role in the success of our students.

LCC will continue to implement a holistic approach to key, data-informed discipline-driven student support and faculty professional development, assuring continuous improvement in student success outcomes.

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 \$105 per billable hour, LCC's tuition increase for FY2019 provides the seventh lowest tuition rate among 28 Michigan community colleges, still well below the statewide average of \$113. LCC will continue to be a campus and college like no other, of which the community can be proud.

In presenting this FY2019 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 GOVERNMENT FINANCE OFFICERS ASSOCIATION of the UNITED STATES and CANADA BUDGET AWARDS**

For FY2018 budgets, The Government Finance Officers Association of the United States and Canada (GFOA) created a new awards program named Best Practices in Community College Budgeting that is limited to Community Colleges. Peer reviewers evaluate budget processes based on a number of criteria that focus on the alignment of resources towards student achievement centering on collaboration, communication, and rigorous development, evaluation and prioritization of strategies to achieve a college's goals and objectives. LCC submitted its budget to the inaugural program, but has not received the completed review as of this date.

For budgets from 2009 through 2017, LCC received awards for the GFOA Distinguished Budget Presentation Award program. To qualify for this budgeting award, peer reviewers determine how well an organization meets 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.

GFOA conferred a Distinguished Budget Presentation Award on Lansing Community College of Lansing, Michigan for its annual budgets for the fiscal years 2009-2017. See the most recent award below:



# **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 23,350 unduplicated students for fiscal year 2016-17.

The Higher Learning Commission of the North Central Association of Colleges and Schools is the accrediting body for LCC and eighteen other institutions in the region. 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, 2018**

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) 2016-17 Data Book & Companion, LCC has the fourth largest Contact-Hour Equated Student enrollment and Fiscal-Year Equated Student enrollment of the 28 community colleges in Michigan. The College enrolls over 23,300 students per fiscal year, made up of about 63% in-district and 37% out-district. LCC employs over 2,400 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
- 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. A complete Associate's Degree can be earned on-line.

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

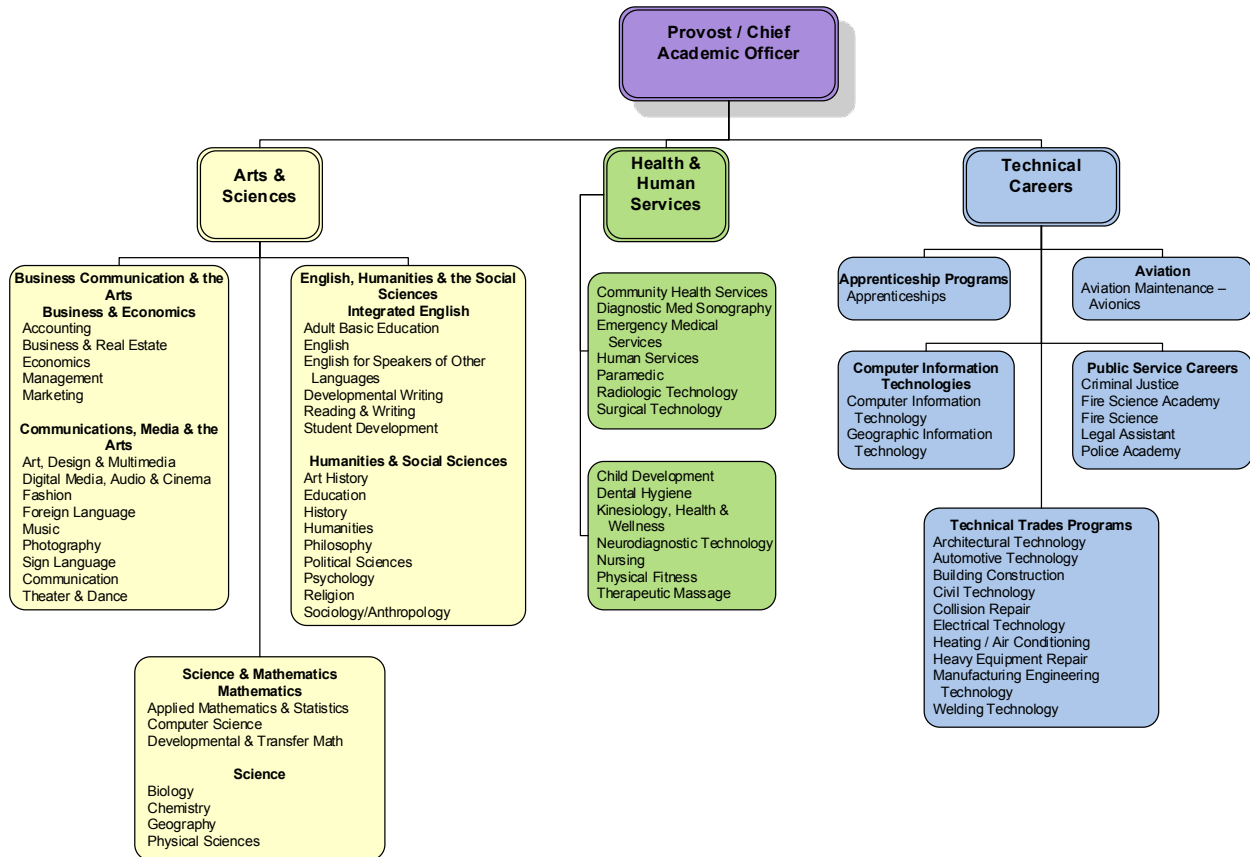
# LANSING COMMUNITY COLLEGE





## Instructional Divisions

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



Each of these divisions incorporate Associate Deans in their structures. For A&S and HHS, the blocks in the chart above identify the Associate Dean's responsibility, while, for TC, the chart reflects areas organized by five Director's areas of 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 The United States, as well as providing core courses for degrees and certifications at LCC. 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; Sign Language; Communication; and Theater & Stage Technology are programs in this area.
- English, Humanities and the Social Sciences
  - Education Preparation; History; Humanities; Philosophy; Political Science; Psychology; Religion; and Sociology/Anthropology are the programs offered in the Humanities and Social Sciences Department.
  - Integrated English – For FY2019, an integrated approach combining developmental, ESL and college-level English into one department was adopted to better align curriculum across instructional levels and encourage faculty collaboration to focus efforts leading to student success and completion for all learners. Included in this department are courses in Adult Basic Education, English for Speakers of Other Languages, college-level English, Developmental Reading/Writing and First Year Experience/Student Development courses.
- 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
  - Medical Assistant

- Neurodiagnostic Technology
- Radiologic Technology
- Surgical Technology
- Associate Dean 2:
  - Child Development
  - Dental Hygiene
  - Kinesiology, Health & Wellness
  - Nursing
  - Physical Fitness
  - Therapeutic Massage

### **Technical Careers**

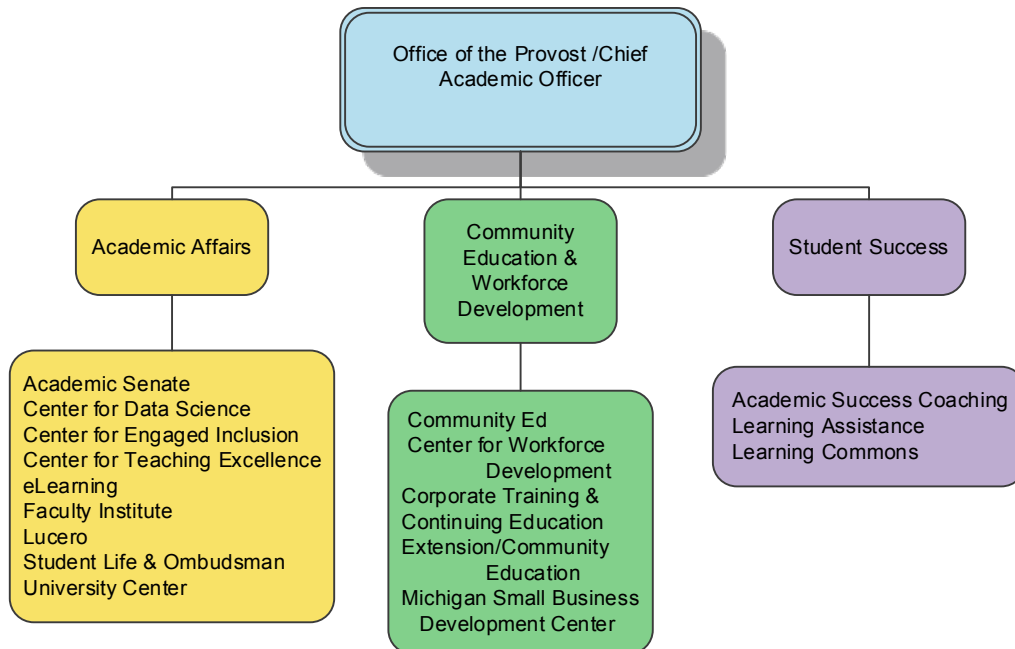
Technical Careers Division provides state-of-the-art education and training programs in technology. These programs provide individuals the opportunity to access and develop the knowledge and specialized skills essential for transition to employment in highly technical occupations, as well as opportunity 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 and employer-sponsored apprenticeships. 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 nine key computer technology areas: applications, databases, foundational software and hardware concepts, geographic information systems, networking, programming, technical support, and web environment.
- 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 services. Academic Affairs works with departments and programs to ensure that all standards required for accreditation, program licensure and certification are maintained. The 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 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, 75% of the Senate members are faculty. The Senate creates and annually reviews the Academic Master Plan. 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:
  - Responds to internal and external data requests;
  - Manages state and federal reporting (Integrated Post-Secondary Educational Data System (IPEDS), ACS, etc.);
  - Designs surveys for both institutional and departmental use.
- Centre for Engaged Inclusion engages the campus and Lansing area in building an equitable and inclusive community through intellectual exploration and collaboration.
- 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.
- Faculty Institute – educates faculty, empowering them to reach students who are at-risk of not succeeding or dropping out, increasing success and desired outcomes.
- LUCERO- creates a positive connection for Latino students at LCC where they receive one-on-one attention and academic advice, learn about world cultures, build friendships with peers, expand leadership abilities and have opportunities to attend conferences and visit universities.
- 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 and 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 and 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 and 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 two 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 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.
- 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 Success**

In FY2017, the Board of Trustees committed to an unprecedented \$11 tuition increase in order to provide resources for “wrap around” services. For FY2018, the budget included a new Division, Student Success, organized under a new Dean, to oversee the integration and delivery of various, otherwise disparate student support services related to these services. Functions were reassigned from Academic Affairs and Student Affairs Divisions.

Subsequent to the adoption of the FY2018 budget, there has been turnover in half a dozen executive level leadership positions, including the Provost and the Associate Vice President of Academic Affairs. The current Provost was appointed midway through FY2018 in December of 2017. The newly created Dean of Student Success was not hired in FY2018 and was eliminated for FY2019. For the FY2019 budget, most of the Student Success Division as it was envisioned in FY2018 remains as a reporting entity until budget authority is determined. The Center for Teaching Excellence and eLearning return to Academic Affairs and the administrative office for this division was de-funded during the budget development process for FY2019.

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 and professional resources.
- Learning Assistance – provides library services such as borrowing books or technological devices, accessing articles, databases and research guides, reservation of group and individual study rooms, research assistance and support to faculty.
- Learning Commons (Tutoring) – tutoring is offered in many subjects, study strategy assistance and study space are available. Many modalities are available, including 24/7 on-line tutoring and a writing center, which provides one-to-one assistance to LCC students with writing projects in courses across the curriculum.

## **Administrative Divisions**

### **Executive Offices**

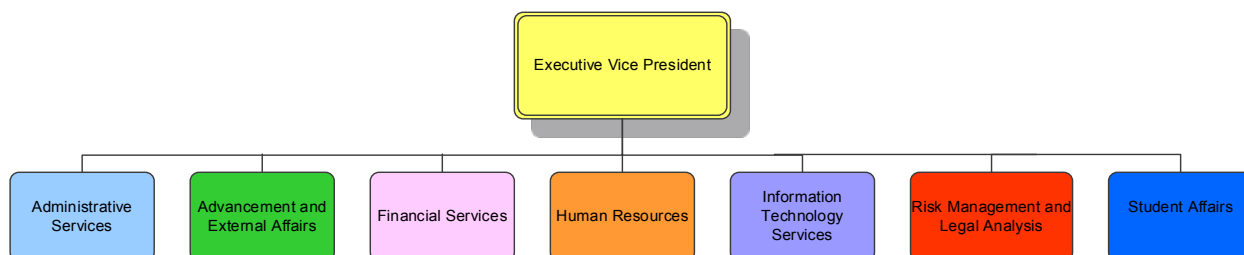
The Executive Offices include:

- Office of the President
- Office of the Provost/Chief Academic Officer
- Office of the Executive Vice President
- 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.

The areas reporting to the Executive Vice President are as follows:



### **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, includes custodial and moving services and maintenance, repair and renovation.
- 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.

### **Advancement and External Affairs**

The Advancement and External Affairs Division brings together units responsible for influencing public policy and opinion, strengthening the college's reputation and cultivating key relationships critical to the College for the present and future. It endeavors to establish comprehensive programming to expand and sustain the community's trust in the institution and continue to build a positive relationship between the College, the public and secondary education providers. 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 109](#)).
- 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.
- 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 2,400 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 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.

### **Office of Compliance**

The new Director of Compliance position was included in the FY2018 budget and filled in early 2018. This office provides college-wide oversight and coordination of the institutional compliance program promoting the highest standards of ethics, integrity, and responsibility within LCC. The area monitors and facilitates compliance with federal, state and governing requirements, as well as compliance with standards for institutions of higher education, including laws, regulations, statutes, codes, policies, procedures, rules, and directives.

## **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 FY2018 budget reassigned certain functional areas from Student Affairs to the new Student Success Division (see page 18). In June 2018, the Board of Trustees expanded the duties of the Senior Vice President of Finance, Administration and Advancement to include oversight of Student Affairs and changed the job title to Executive Vice President.

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 & Student 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.

# **STRATEGIC PLANNING**



## **LANSING COMMUNITY COLLEGE**

### **Strategic Planning**

#### **Background**

LCC has over 230 degree and certificate 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 81](#)). 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.

### **LCC’s Strategic Plan 2017-2020**

In 2012, Lansing Community College developed a three-year strategic plan (*Learn Forward*) that articulated specific initiatives designed to meet challenges and move the institution forward. An extensive series of discussions launched by the Board of Trustees was held with employees, students and community members.

When the 2013-2016 strategic plan expired, the Administration conducted a needs assessment to develop the next three-year strategic plan. Multiple sources were considered: input from guided strategy sessions with employees and students; LCC Program Reviews and best practices as defined by multiple higher education organizations. 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 core areas are Competitiveness and Innovation; Engaged Learning and Student Success; Community Engagement; Leadership, Culture and Communication; and Resource Management and Fiscal Responsibility. Learning remains at the heart of LCC's efforts. For the 2017 to 2020 Strategic Plan, goals, outcome and Key Performance Indicators for each focus area are shown below:

Engaged Learning & Student Success (Focus Area 1)		
Goals	Outcomes	Key Performance Indicators
A. LCC will integrate relevant and rigorous curricula throughout all areas of teaching and learning. LCC provides excellent student support services that facilitate retention, goal completion, engagement and success.	Enhance guided program pathways to reflect integrated learning	Guided program pathways
	Integrate relevant American Association of Colleges & Universities (AAC&U) - identified high-impact practices throughout all the programs	Percentage of programs of study that integrate at least one AAC&U high-impact practice
B. Students will achieve their educational goals.	Students complete their program of study in a timely manner	Completion - Voluntary Framework of Accountability (VFA) certificate/degree transfer (2 & 6 year cohorts)
		Credit threshold by end of Year 2 (30 credit-Year 1-FT)
		150 percent completion (IPEDS)
		Conformance to Educational Development Plan 9percent of deviation)
	Foster a culture of student engagement and responsibility	Students participate in RSOs
C. LCC will provide relevant high quality learning and instruction.	To improve, by 10%, the percentage of courses within a transfer program that transfer to at least four of the seven highest transfer institutions	Percentage of courses that transfer.
	Improve quality of content and delivery of course instruction	Annual Improvement plans and program operating plans to include instructional quality
		Response time to student
	Syllabus is clear with grading requirements	One hundred percent compliance with all syllabi

Engaged Learning & Student Success (Focus Area 1) -cont'd		
Goals	Outcomes	Key Performance Indicators
D. LCC will ensure continuous quality improvement of programs of study and courses.	Improve state of college-wide assessment	Program of study alignment from program level student learning outcomes to institutional level student learning outcomes
	To improve the quality of online courses	Student success in online courses
		Retention rate of online students
		Completion in online courses
E. LCC will be more effective preparing students that are not fully ready for college-level work.	To improve developmental education	Percentage of students enrolled in developmental courses
		Number of developmental credit hours taken
		Students' success in college-level courses after completion of developmental instruction
F. Improve Career & Technical Education (CTE) to strengthen alignment between programs offered and high wage labor market needs.	Offer more programs that teach students competencies in areas with high wages	Number of students securing employment in chosen field for selected programs.
		Percentage of programs leading to high wage fields
Leadership, Culture & Communication (Focus Area 2)		
Goals	Outcomes	Key Performance Indicators
A. LCC will be intentional and proactive in our planning processes.	Improve our project management skills	Percent of administrators and professional support are trained in project management
B. LCC will continuously improve communication among employees, students and other stakeholders.	Increase employee and student satisfaction with communication from the college	Improved rating on climate survey
		Student satisfaction rating from student survey
		Stakeholder satisfaction rating from community impact survey
C. LCC will create an environment for professional growth to support a sense of community.	Develop a culture of "engagement"	Decreased turnover rate
		Higher rate of participation in February strategy forums
		Improved rating on climate survey

Community Engagement (Focus Area 3)		
Goals	Outcomes	Key Performance Indicators
A. LCC will continue to build and enhance mutually beneficial relationships with community partners to identify and respond to the needs of our communities.	Increase the number of service learning opportunities for students	Number of service learning opportunities
	Increase the number of internships and apprenticeships with employers	Number of internships and apprenticeships with employers
	Develop, implement, and track principles of good customer relationship management	Manual for developing, implementing, and tracking principles of good relationship management
	Increase the number of Lansing-area graduates who enroll in LCC	Number of Lansing-area high school graduates who enroll in LCC
Competitiveness & Innovation (Focus Area 4)		
Goals	Outcomes	Key Performance Indicators
A. LCC will create an environment for innovation, intelligent risk taking, and organizational agility.	Improve processes that impact students and external customers	Reduction of time and steps involved
	Strengthen the process improvement skills of our employees	Reduction of time and steps involved
	Create academic and workforce programming that meets labor demands	Employer surveys
	Attract a workforce that reflects the diverse ideas, cultures, and thinking of the College's student body	Diversity and inclusion metrics
	Become an employer of choice	Climate survey metrics relating to employee satisfaction

<b>Resource Management &amp; Fiscal Responsibility (Focus Area 5)</b>		
<b>Goals</b>	<b>Outcomes</b>	<b>Key Performance Indicators</b>
<b>A.</b> LCC will continuously strengthen its resources to maintain ongoing operations.	<b>Financial:</b> Improve the College's Composite Financial Index (CFI)	<b>Financial:</b> CFI
	Continue to have a strong bond rating	Bond Rating
	Maintain excellent financial reporting and audit results	Clean audit, no material weaknesses
	Maintain tuition affordability and cost control	Cost per FYES, annual rate of tuition increases
	<b>Human Resources:</b> Maintain a stable and strong workforce	<b>Human Resources:</b> Turnover rate, percent of workforce within five years of retirement eligibility, employee engagement in wellness activities
	Improve employee engagement and satisfaction	Climate surveys, number of employees involved in college activities
	<b>Physical:</b> Maintain a contemporary, safe and clean learning and work environment	<b>Physical:</b> Number of employees trained in emergency, safety, and business continuity processes, deferred maintenance, safety reports

### **The Higher Learning Commission and Accreditation**

In June 2016, LCC underwent a Comprehensive Quality Review from the Higher Learning Commission (HLC), resulting in reaffirmation of accreditation for the next ten years. LCC was accredited under the Academic Quality Improvement Program (AQIP) which includes a Systems Portfolio assembled by the institution to answer specific questions. At the end of the AQIP pathway's 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. The DOE is pressuring HLC to be very stringent during accreditation reviews, in light of the emphasis on performance indicators throughout the nation.



The HLC 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 a bold plan focused on student persistence, retention, and completion. Campus wide engagement in the plan 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.

Since LCC's accreditation in 2016, HLC noted a sharp decrease in the number of institutions choosing to participate in the AQIP pathway. While HLC and its Board of Trustees are fully committed to continuous quality improvement efforts, this situation made it clear that HLC must rethink the way it supports such efforts. Therefore, HLC has begun the process of phasing out the AQIP Pathway and transitioning current AQIP institutions to other pathways in 2017. Institutions will have individual transition plans off the AQIP pathway during the next two academic years.

For LCC, the new accreditation process (like the old one) requires completing a Systems Portfolio due June 3, 2019. From that point, the review of the Portfolio will determine if LCC will be transitioned into the Standard Pathway at year four and be required to undergo a comprehensive visit or have the option to be transitioned into the Open Pathway at year five. Each of the Pathways requires the institution to choose a Quality Initiative Project to develop and implement in years five through nine of a ten-year cycle.

LCC closed all FY2018 AQIP Action Projects (listed below) as completed due to the phase out of the AQIP Pathway. HLC required a report on one of the projects; Implementation of Academic Success Coach System was chosen for the update report to HLC.

- Institutional Assessment – Phase III - add student learning systemic variables that represent the supporting Divisions and Departments that influence student learning. Integrate technology solutions into assessment processes.
- Improve Processes and Related Documentation – Phase III - focus on five key processes: assessment, advising guided pathways, balanced scorecards and Argos reports.
- Establish Guided Pathways –Phase I – map programs, define default course sequences and prescribe appropriate general education and elective options, establish Career Communities (Meta-majors), cohort-style orientation and track student progress.
- Academic Success Coach (ASC) System – individualized support and advocacy to assist students by continuous engagement.

### **Report to HLC on Implementation of Academic Success Coach Systems**

This completed project was chosen for reporting to HLC. Corresponding targets, metrics and analysis will be included in the June 2019 College Systems Portfolio. See summary excerpts from the report below:

During Fall 2017, assignment of each first-time/full-time student to a coach and the “Engagement Report” for referring students to coaches were simultaneously implemented. The roll out was confusing for faculty. Consequently, some faculty referred their entire class of students to the coaches resulting in 5,854 referrals for the semester. Coaches were forced to focus efforts on referred students rather than new students, as planned. Capacity issues became a critical factor in achieving the anticipated 250 students/coach ratio.

By Spring 2018, the Engagement Report was revised and an Early Alert System was created to provide an avenue for faculty to refer students who were exhibiting warning signs. The program’s lead support became responsible for the student outreach process, allowing the coaches to provide more direct support to engaged students and faculty to get notification of the referred student’s status. This change in process resulted in more meaningful referrals. Students were given a choice to participate or not participate in the coaching process. There were approximately 2,000 referrals in the Spring term.

The Academic Success Coaching program is building on its current model to provide embedded, proactive academic support to all new, incoming students. All new, incoming students will be assigned an Academic Success Coach upon admission to the college based on their Career Community or Undecided assignment. Coaches will reach out with a “Welcome Call” as a regular step in the admissions process and will serve as a first point of contact in establishing an ongoing supportive relationship. Based on multiple measures including high school GPA, Pell eligibility, TIP eligibility, placement levels and identified barriers, the students will be organized within a three Tier classification system to provide coaches with contact frequency, service and support recommendations.

Metrics for monitoring the ASC system progress will be:

- Percent of all credit 2.0 or higher;
- Completed 6 or more college credits in term;
- Completed 12 or more college credits in term;
- Term GPA;
- Cumulative GPA;
- Fall-to-Spring and Fall-to-Fall Retention;
- Graduates;
- Transfer;
- Satisfaction (end of semester);
- Satisfaction (kiosk survey);
- Number of students that met with a ASC fact-to-face;
- Number of students who completed their Welcome Call from assigned coach;
- Length of face-to-face appointments;
- Number of student contacts by phone, text or email;
- Number of internal referrals made;
- Number of students who met "Coaching Outcomes";
- Number of workshops attended by students;
- Initial referral source;
- Meeting categories.

The college's Embedded Academic Support Team continues to propel the ASC system by promoting the redesign of the college's First Year Experience course. The AS system will be included in this redesign. (Expected launch date Fall 2020).

The Academic Success Coaches will be responsible for the following Achieve 360 Skill Builder workshops:

- Time management/Organizational skills;
- Goal setting/Self-motivation;
- Making decisions/Understanding your options;
- Communication/Advocating for yourself;
- Emotional intelligence/Resilience;
- The transition to college/I can succeed at this.

In HLC's review of the report, these comments were made:

- "The institution has acted in meaningful ways to pursue project success, taking time to make revisions and adjustments based upon new information and developments. This level of responsiveness to these developments demonstrated the high-performing principal of *Agility* . . ."
- "Lansing showcases its capacity for commitment to continuous improvement and the principal of Learning by citing a number of significant improvement opportunities seized:
  - Need to clarify program intent and student candidates to faculty;

- Need to tighten use of Early Alert System by faculty to reduce the volume of outreach to be conducted by coached;
- Need to make program engagement mandatory for specific student types;
- Need to assign students by choice of program or undecidedness.”

The ASC system has been in place for one academic year and early metrics are encouraging.

In comparison of students who engaged with a coach to all LCC students for Fall 2017 Semester:

Metric	Result
Fall-to-Spring Retention	up 6%
Retained, Graduated and/or Transferred	up 3%
Earned 6+ College Credits at a 2.0 or Higher	up 4%
Earned 12+ College Credits at a 2.0 or Higher	up 7%
Percent of all credits at a 2.0 or Higher	down 4%
Term GPA	down 0.28 points
Cumulative GPA	down 0.18 points

In comparison of students who engaged with a coach to all LCC students for Spring 2018 Semester:

Metric	Result
Earned 6+ College Credits at a 2.0 or Higher	up 8%
Earned 12+ College Credits at a 2.0 or Higher	up 11%
Percent of all credits at 2.0 or Higher	down 3%
Term GPA	down 0.28 points
Cumulative GPA	down 0.18 points

### **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). LCC has been recognized by the Gardner Institute as a leader in this project, presenting at both statewide and national conferences. 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.

For the current three-year cycle, issues were identified and three different 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.

In addition to course-level recommendations for change, the G2C initiative also generated several college-level recommendations for change. Among them 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. Also, a completely online process for student-teacher evaluations, rather than a paper process (creating long wait periods) allows faculty to make desired adjustments before the next semester begins.

The 2018-2019 academic year is the last year of LCC participation. Since January 2018, the co-liaisons, in collaboration with the Center for Data Science and the Provost's office, have been planning a transition to an in-house assessment process for continuous improvement for gateway courses. This transition signals an institutionalization of a customized and systematized process to regularly review and improve student success in key/gateway courses.

### **Guided Pathways**

The Guided Pathways project encompasses:

- Mapping programs of study;
- Defining default course sequences;
- Prescribing appropriate general education and elective options;
- Establishing Career Communities (Meta-majors) for survey courses;
- Conducting cohort style orientation sessions;
- Predictable scheduling;
- Contextualized general education;
- Tracking of student progress to provide timely and meaningful feedback.

Accessibility, counseling, tutoring, advising, financial aid, registration, etc., are all part of providing guided pathways designed to ensure effective teaching and learning environments. To guide students through their goals, LCC provides a well-developed, personalized education plan for all students, substantive wraparound student support services from the start and throughout the student's LCC experience, and clear, guided pathways to academic program completion. 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. Also included in LCC's Guided Pathways project:

- 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;
- Radical transformation of the College's approach to delivering developmental education in order to increase students' ability to enroll in college-level coursework early.

LCC has undertaken these major changes because founding institutions for guided pathways cite the following outcomes:

- 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.

### **Program Review**

Program review is a four-year process that explores multiple components of each program of study to provide well-rounded insight into the strengths and opportunities for improvement, including root causes. Reviews include, but are not limited to surveys of recent graduates, leavers, current students and advisory committees; student success data (retention, graduation/transfer and success rates; and real time job posting and employment data. LCC has many different tools to use in root cause analysis. Two major models for analysis are the Adapted Behavior Engineering Model and Force Field Analysis Model (see examples below).



### Adapted Behavior Engineering Model

ENVIRONMENTAL FACTORS THAT INFLUENCE PERFORMANCE	INFORMATION	RESOURCES	INCENTIVES
	<ul style="list-style-type: none"> <li>Do faculty/students know what is expected of them?</li> <li>Are expectations clearly defined?</li> <li>Do faculty/students receive regular performance feedback?</li> <li>Are work processes documented?</li> </ul>	<ul style="list-style-type: none"> <li>Do faculty/students have the tools, resources, &amp; time necessary to perform to expectation?</li> <li>Is written documentation of processes &amp; procedures available to faculty/students?</li> <li>Do the work conditions conducive to the desired performance (e.g. safe, clean, ergonomic, etc.)?</li> </ul>	<ul style="list-style-type: none"> <li>Do faculty/ students have financial &amp; non-financial incentive that reinforce desired performance?</li> <li>Does the work enrich and/or fulfill needs?</li> <li>Do faculty/ student s believe there is an opportunity to succeed?</li> </ul>
INDIVIDUAL FACTORS THAT INFLUENCE PERFORMANCE	KNOWLEDGE/SKILLS	CAPACITY	MOTIVES
	<ul style="list-style-type: none"> <li>Do faculty/students have the necessary knowledge and skills to perform as desired?</li> <li>Do faculty/students have the opportunity to apply their knowledge and skills to the job?</li> </ul>	<ul style="list-style-type: none"> <li>Do faculty/students have the capacity to learn and perform as expected?</li> <li>Are faculty/students in the right position/section/course?</li> <li>Are the right faculty/students recruited for the right positions?</li> </ul>	<ul style="list-style-type: none"> <li>Are individual goals and organizational goals aligned? (indiv goals → course → program → division → LCC)</li> <li>Do faculty/students have the desire to perform as expected?</li> </ul>

### Force Field Analysis (Kurt Lewin 1940)

Driving Force (positive)	Force Strength											Restraining Force (negative)
	+5	+4	+3	+2	+1	0	-1	-2	-3	-4	-5	
Leadership support												Low enrollment
Accessibility to resources												Existing workloads
Well-developed interdepartmental relationships												Staff shortage

Also weighed is the level of college subsidies needed to support programs; and in some cases, the need for future capital investments.

The Program Review process expects the review team to examine the enrollment, success and retention, persistence and completion data for the program. The data provided should allow a thorough analysis. Minimally, information is expected on the following:

- Any disparate impact related to gender, race, or age;
- General admissions: year-over-year change in declared program of study enrollment compared to overall college enrollment;
- Discussion on patterns and anomalies;
- Actions that should be taken for continuous improvement, and;

- The programs of study that your program's courses serve (for example, the Biology Program offering a course for nursing students).

## **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. For more information on the VFA, see [pages 39-42](#).

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 submissions. 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 57-59](#) and *Impacts on FY2019 Budget Planning* [pages 62-68](#).

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**

In addition to benchmarking via the state required IPEDS reporting, 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. Participation in these initiatives will allow the College to identify any global effects experienced by other community colleges and truly understand if changes are related to specific initiatives or if the changes cannot be separated from national trends.

### **National Center for Educational Statistics**

The key findings from the 2017 annual Data Feedback Report provided to LCC by the National Center for Educational Statistics follow. IPEDS data is used to compare 30 colleges of comparable enrollment sizes and other criteria. Michigan community colleges including in the cohort are Delta College, Kalamazoo Community College, and Wayne County Community College.

- LCC exceeded its comparison group in the number of sub-baccalaureate credentials awarded in all categories (2015-16).
- LCC's full-time, first-time degree/certificate seeking students retention rate was above that of its comparison group. Part-time retention rate was identical to the comparison group (2015 cohort).

See LCC Fall-to-Fall First-Time Student retention rate trend through the IPEDS data Center below:

**Retention, First-Time Students Fall 2011 to Fall 2016**

Full-Time Students	LCC	Comparison Group
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%
Fall 2015 to Fall 2016	64%	61%
Part-Time Students	LCC	Comparison Group
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%
Fall 2015 to Fall 2016	44%	44%

These data indicate that the percentage of first-time full-time students retained at LCC has increased for the last three years and has remained above the comparison group, while the retention for first-time part-time students has dipped slightly for the Fall 2015 Cohort, dropping to be identical to the comparison group for Fall 2015.

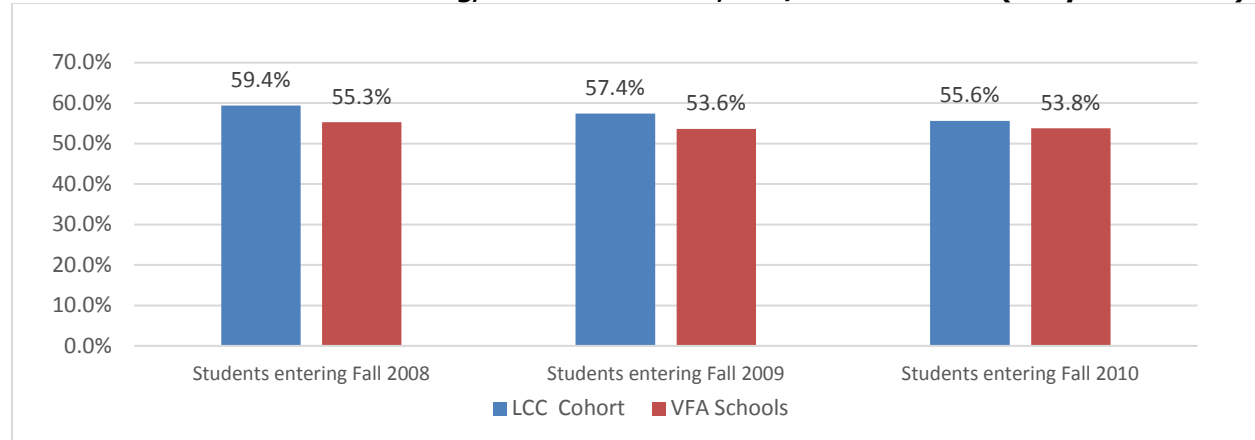
It is important to note that IPEDS bases its metrics only on first time (new), students. This is problematic for many community colleges because it does not capture the complexity of the student body. Full-time students currently account for about 1/3 of LCC's student body and many students shift between 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.

**Voluntary Framework of Accountability (VFA)**

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 (FY2018 is the fifth 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.

An important indicator is the comparison between the LCC Cohorts and VFA Schools Outcomes (see graph and chart below):

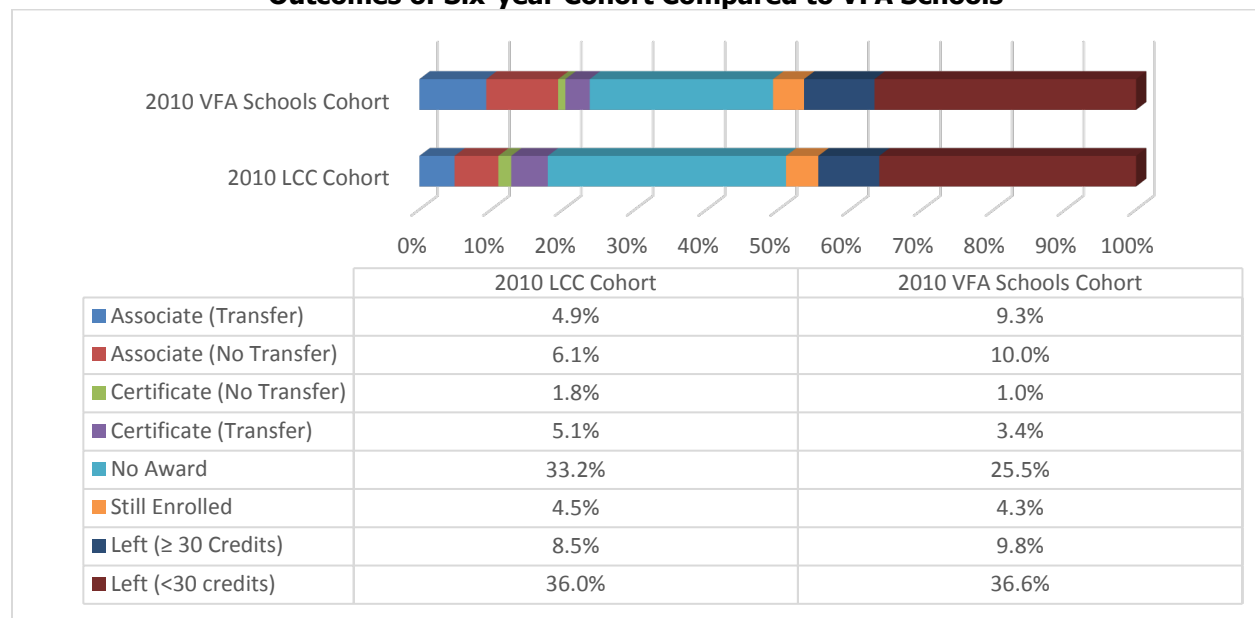
**Percent of Students still Attending, Earned an Award, and/or Transferred (Six-year Cohorts)**



- Students are unduplicated – a student is only counted once
- Achieved by the end of six years: tracks a cohort of students starting in a fall semester for six years
- Earned credentials at the reporting college: does not account for credentials (e.g. Bachelor's Degree) earned at other institutions

These results indicate that although there has been a downward trend for VFA reporting colleges, LCC has consistently outperformed the average. The most recent six-year cohort is disaggregated below.

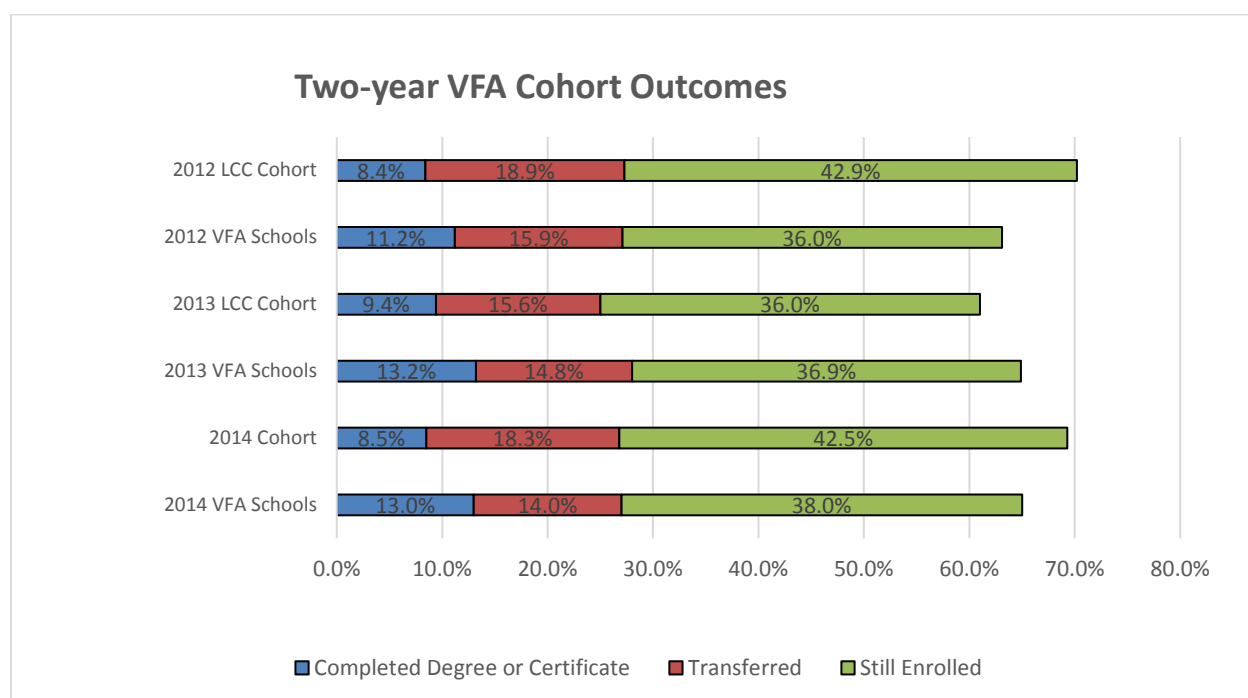
**Outcomes of Six-year Cohort Compared to VFA Schools**



The largest difference between LCC and the rest of the VFA reporting community colleges appears to be related to students completing a credential before transferring.

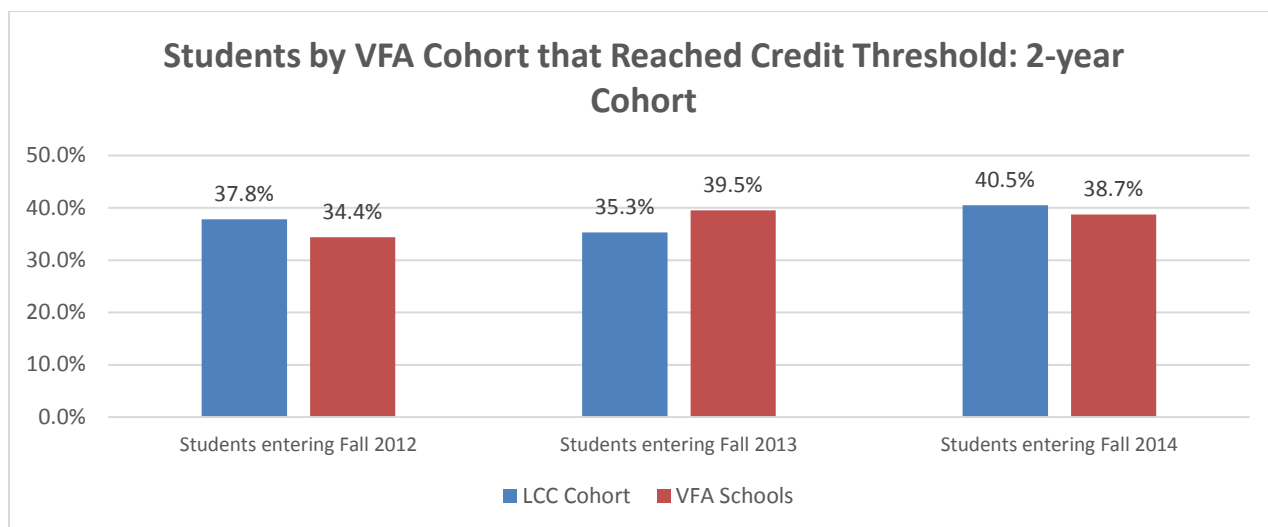
This may be due to other state systems providing incentives for their community college students to complete a credential prior to transferring to a university.

At many community colleges, the student body is heavily comprised of part-time students and students that may shift repeatedly between part-time and full-time status. The VFA reports cohort outcomes at the six-year mark to allow these part-time students the necessary time to complete their credential. However, the VFA also summarizes award, transfer, and retention data after the cohorts second year to show that cohort's progress towards completion. The two-year progress metrics shown below are unduplicated and can be added together to determine the percentage of students from the original cohort that are either pursuing or have completed their educational goals. From the 2014 fall entering cohort, 69.3% of LCC's students have either earned a credential, transferred, or are still enrolled at the end of their second year compared to an average of 65% at all other VFA reporting community colleges (see below).



For two-year cohort success, another important measure is reaching a credit threshold by end of year two of 24 credits (part-time students) or 42 credits (full-time students). The 2014 LCC cohort represents a significant improvement for LCC students in a year when the average number of students achieving the threshold at VFA reporting schools declined (see chart below).





- Students are unduplicated – a student is only counted once
- Achieved by the end of two years: tracks a cohort of students starting in a fall semester for two years
- Earned credentials at the reporting college: does not account for credentials (e.g. Bachelor's Degree) earned at other institutions

### National Community College Benchmarking Project (NCCBP)

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. Fall-to-Spring persistence is an early indicator of completion and/or transfer. Persistence is a commonly tracked metric in higher education. 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. LCC uses the fall-to-spring persistence during program review and, if possible, when reviewing various student success initiatives. While IPEDS measures persistence for all first-time students (see graph on page 39), NCCBP uses a different population of all credit-seeking students to calculate persistence and retention. Over 220 community colleges throughout the nation participated in this benchmarking study. The results for Fall 2016 Cohort are displayed in the chart below. Data for AY2017 is not yet available.

NCCPB Persistence and Retention - Fall 2016 Cohort			
Fall of AY2016 Cohort	LCC	% Rank	Compare to NCCPB Median
Overall Fall to Spring Persistence	69.3%	37%	71.1%
Overall Fall to Fall Retention	48.7%	45%	49.2%
Full-Time Fall to Spring Persistence	81.3%	41%	82.2%
Full-Time Fall to Fall Retention	55.79%	40%	56.6%
Part-Time Fall to Spring Persistence	61.57%	47%	62.2%
Part-Time Fall to Fall Retention	44.23%	59%	42.2%

#### Calculation methods

**Overall Fall to Fall Retention Rate:** (Fall 2016 Full-time Credit Students who enrolled in Fall 2017 + Fall 2016 Part-time Credit Students who enrolled in Fall 2017) / ((Full-time Credit Students at end of Fall term - Fall 2016 Full-time Credit Students who graduated before Fall 2017) + (Part-time Credit Students at end of Fall 2016 term - Fall 2016 Part-time Credit students who graduated before Fall 2017))

**Overall Fall to Spring Persistence Rate:** (Fall 2016 Full-time Credit Students who enrolled in Spring 2107 + Fall 2016 Part-time Students who enrolled in Spring 2017) / (Full-time Credit Students at end of Fall 2016 term - Fall 2016 Full-time Credit Students who graduated before Spring 2017 + (Part-time Credit Students at end of Fall 2016 term - Fall 2015 Part-time Credit Students who graduated before Spring 2017))

**Full-Time Fall to Fall Retention Rate:** (Fall 2016 Full-time Credit Students who enrolled in Fall 2017 / (Full-time Credit Students at end of Fall term - Fall 2016 Full-time Credit Students who graduated before Fall 2017)

**Full-Time Fall to Spring Persistence Rate:** Fall 2016 Full-time Credit Students who enrolled in Spring 2107 / (Full-time Credit Students at end of Fall 2016 term - Fall 2016 Full-time Credit Students who graduated before Spring 2017)

**Part-Time Fall to Fall Retention Rate:** Fall 2016 Part-time Credit Students who enrolled in Fall 2017 / (Part-time Credit Students at end of Fall 2016 term - Fall 2016 Part-time Credit students who graduated before Fall 2017)

**Part-Time Fall to Spring Persistence Rate:** Fall 2016 Part-time Students who enrolled in Spring 2017 / + (Part-time Credit Students at end of Fall 2016 term - Fall 2015 Part-time Credit Students who graduated before Spring 2017)

### 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 six 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).

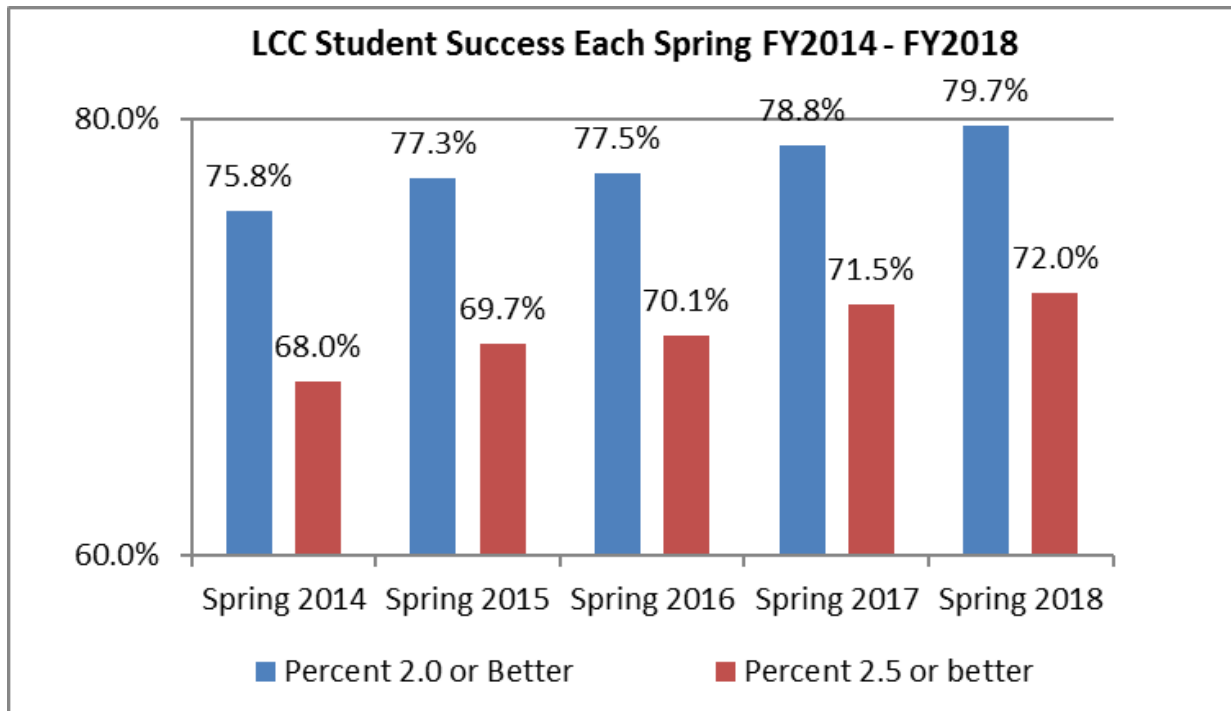
**LCC Perkins Core Indicators (in percentages) and Trend Line 2011-2012 through 2016-2017**

Perkins Core Indicators (Percentages)							
Indicator	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	Trend
1P1	94.15	96.41	97.24	92	93.99	95.44	
2P1	28.22	29.49	31.99	33.45	28.81	37.72	
3P1	71.58	71.01	72.06	71.95	70.56	68	
4P1	76.92	81.91	89.51	82.81	83.33	90.53	
5P1	25.84	25.34	26.3	27.68	27.16	28.37	
5P2	17.71	18.71	22.19	22.36	22.69	20.47	

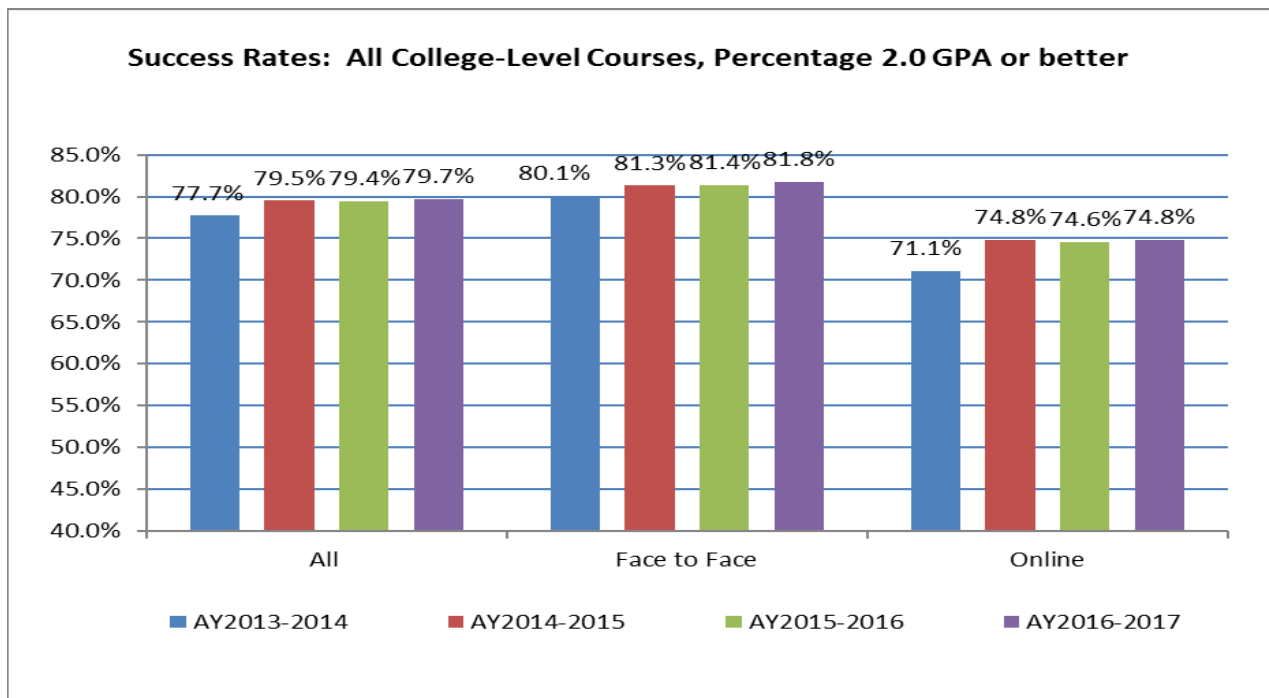
**Lansing Community College - Other Metrics**

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 2014 through 2018. During this time, both categories of achieving a 2.0 or better and a 2.5 or better grade has continued a trend of moderate year-over-year improvement.

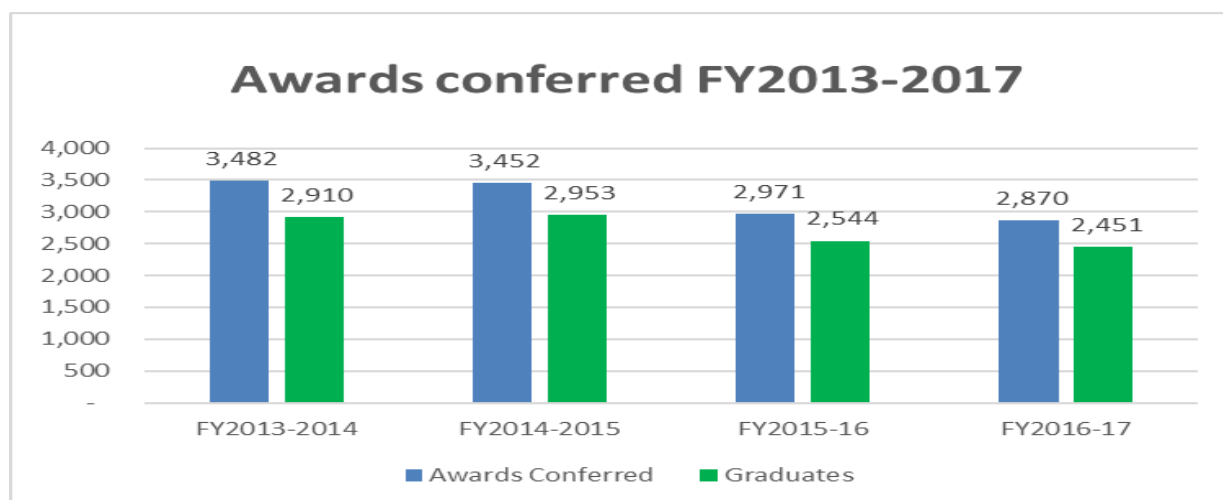


Looking at college-level course success rates by delivery mode reveals that success rates have increased since AY2014 in each mode of delivery except online, which shows a slight decrease for AY2016, but increased in AY2017(see below).



Shown in the graph below are the counts of awards and graduates. Each 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. While many factors can affect the counts, the downward trend in enrollment is definitely a contributing factor in the downward trend in number of awards.

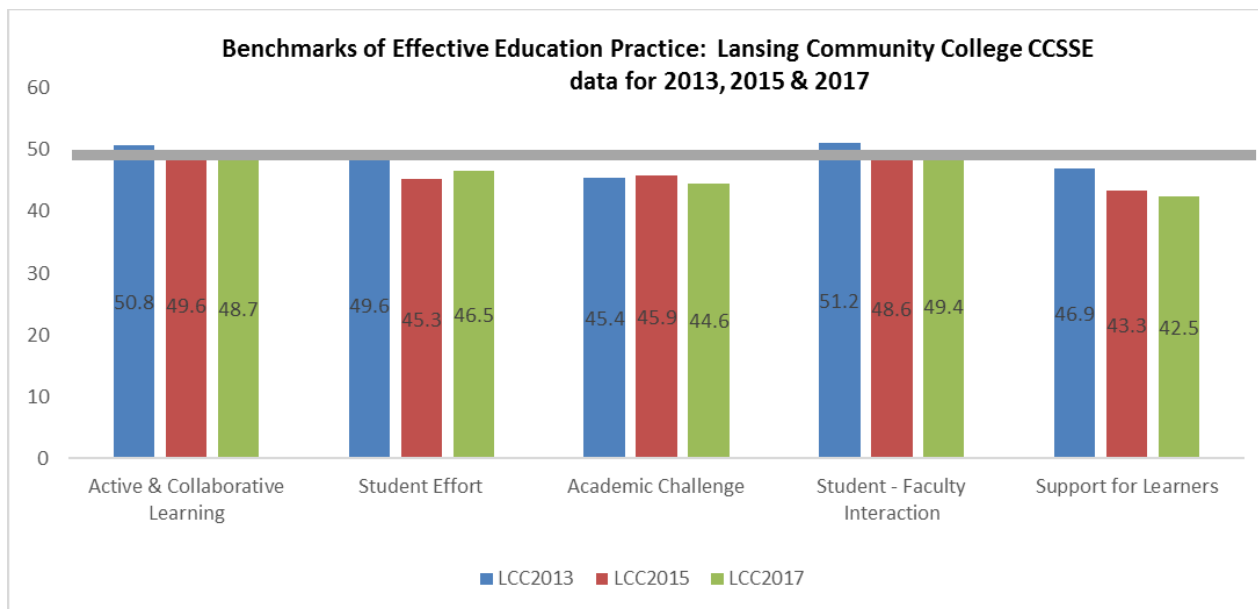


### **Lansing Community College Survey of Student Engagement**

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:

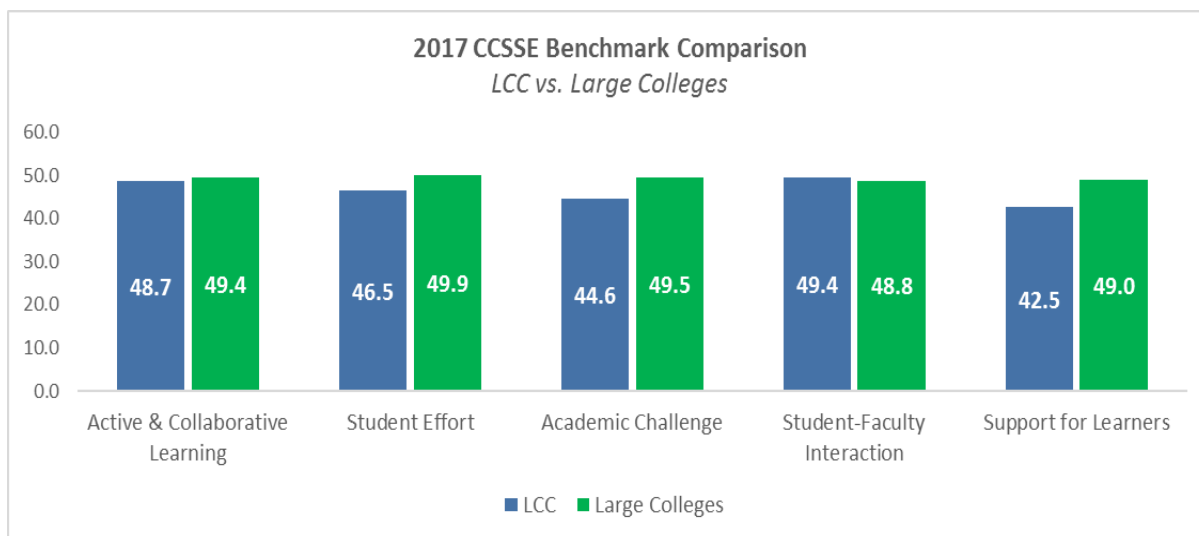
- Active and Collaborative Learning;
- Student Effort;
- Academic Challenge;
- Student-Faculty Interaction;
- Support for Learners.

The CCSSE 2017 Cohort is comprised of 297 institutions, 63 of which are considered large (8,000 – 14,999 credit students). The charts below compare the 2017 (most recent available) data for LCC with previous results and with the 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 is also near the mean score in Student-Faculty Interaction.



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.

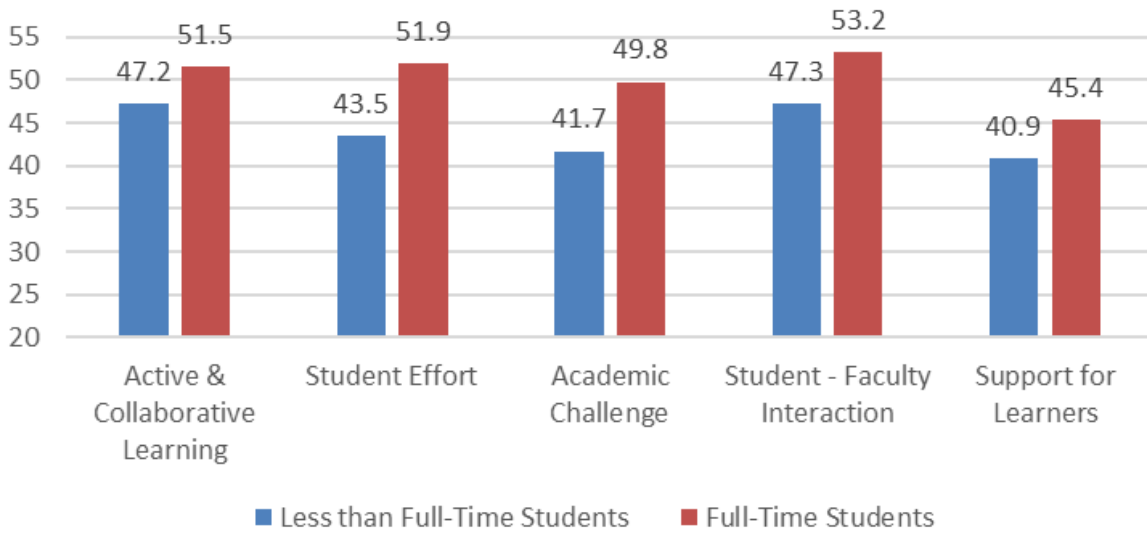
In comparison to other colleges, LCC's relative strength appears to remain Student-Faculty Interaction, with the gap for Active & Collaborative Learning at less than a point (See graph below).



*\*Large College comparison group consists of 63 colleges that have between 8,000 and 14,999 credit students*

When comparing LCC's scores by student enrollment status, Full-Time Students score slightly higher than less than Full-Time Students (see chart below).

### CCSSE 2017 Survey Results LCC Part-Time vs Full-Time Students



# **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 February, 2018, a two-year financial forecast (summarized below) was presented to the Board. The forecast projected a balanced budget for FY2019 and included a \$2 increase in the In-District tuition rate. The following assumptions underlie these projections:

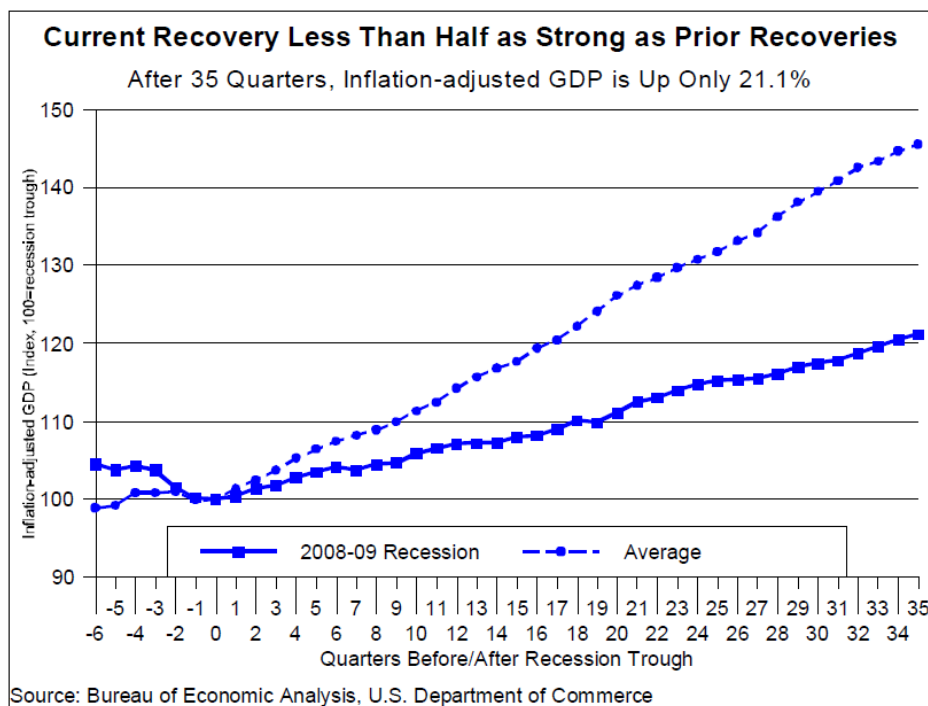
- State Appropriations: 2.6% increase in State in FY2019, 2.0% in FY2020, FY2019 based on the Governor's recommendation
- Property Taxes: 2.0% increase in FY2019; 3.0% in FY2020, based on slight economic improvement
- Student Fees: \$63,000 increase for FY2019, based on recommended changes
- Enrollment: 3.0% increase for FY2019; 0% change for FY2020
- In-district Tuition increase: \$2 for FY2019, increase needed to maintain service levels
- Salaries and Benefits: 2.5% increase for FY2019; 3.9% for FY2020.
- Services and Supplies: 3.6% increase for FY2019 (utilities, custodial, insurance and supplies); 2.0% in FY2020
- Scholarships, Transfers, and Contingency: 0.4% increase for FY2019; 0.1% in FY2020

Financial Projections FY2019 and 2020					
Category	FY2018 Adopted (in thousands)	FY2019 (in thousands)	Change from FY2018	FY2020 (in thousands)	Change from FY2019
State Appropriations	\$ 32,410	\$ 33,249	2.6%	\$ 33,914	2.0%
Property Taxes	\$ 40,709	\$ 41,523	2.0%	\$ 42,769	3.0%
Tuition and Fees	\$ 50,106	\$ 51,348	2.5%	\$ 51,348	0.0%
Other	\$ 2,950	\$ 3,050	3.4%	\$ 3,050	0.0%
<b>Revenue</b>	<b>\$ 126,175</b>	<b>\$ 129,170</b>	<b>2.4%</b>	<b>\$ 131,081</b>	<b>1.5%</b>
Salaries and Benefits	\$ 85,721	\$ 87,850	2.5%	\$ 91,275	3.9%
Services and Supplies	\$ 21,956	\$ 22,745	3.6%	\$ 23,197	2.0%
Scholarships, Transfers, and Contingency	\$ 18,498	\$ 18,575	0.4%	\$ 18,592	0.1%
<b>Total Projected Expenses</b>	<b>\$ 126,175</b>	<b>\$ 129,170</b>	<b>2.4%</b>	<b>\$ 133,064</b>	<b>3.0%</b>
<b>Projected Deficit (in thousands)</b>		\$ -		(1,983)	

## Recent National Economic Highlights

While the 2008-2009 recession represented the most severe economic contraction in more than 70 years, the years following the recession have represented the weakest recovery. As of the first quarter of 2018, the economy had been in recovery for 35 quarters after the recession trough in the second quarter of 2009.

As has become typical over the past several years, the national economy improved at a lackluster pace during the first quarter of 2017. Although the housing sector continues to expand light motor vehicle sales have slowed over the past several months. Wage and salary employment is on track to increase 1.2% in CY2017 with broad-based gains across all major economic sectors.



The economy has averaged only 2.2% annual growth since the end of the recession, compared with an average of 4.4% annual growth over the other two recoveries of 35 months or more since World War II. Most of the weakness in the recovery reflects particularly slow growth through the first quarter of 2014: personal consumption spending (which generally has accounted for two-thirds of economic activity) grew at a rate of 2.9% per year and government sector contracted by 1.9 per year. Since the first quarter of 2014, the government sector has remained relatively flat and consumption has grown more rapidly, averaging 3.2% per year, but has been offset by markedly slower growth in business investment.

The long run growth of an economy is generally constrained by two factors: population growth and productivity growth. These two factors essentially represent how many people participate in an economy and how effectively they are able to produce goods

and services. While short-term deviations inevitably occur, the trend growth of an economy (or at least of its maximum potential growth) will tend to equal the sum of the growth rates of these two factors. As a result, a portion of the lower growth experienced during the current recovery can be attributed to slower rates of both population growth and productivity growth.

Productivity, as measured by output per hour in the nonfarm business sector, was flat in 2016, but rose 1.2% in 2017. During the 1985-to-2005 period, productivity grew by approximately 2.3% per year, while productivity has grown by less than 1.0% per year in every year since 2010-the longest and most severe slowdown in productivity experienced since at least World War II. This decline in productivity has occurred despite business investment growing at roughly the same rates as in previous recoveries through mid-2014. As consumption growth has improved, it has, to some degree, been offset by low, or even declining, rates of business investment.

As of April 2018, payroll employment averaged only 1.7% annual growth since the February 2010 trough and was up 1/6% from the April 2017 level, essentially the same year-over-year growth that has been exhibited every month since October 2016. During 2017, the economy averaged 182,000 new jobs per month, the lowest monthly average since 2012 and the third year of consecutive declines, and not much above the 160,000 increase necessary to keep pace with population growth.

The combined effect of an improving economy and low productivity on the unemployment rate has been significant, especially given the underlying demographics affecting the labor force. The unemployment rate fell from a peak of 10.0% in October 2009, to 4.1% in November 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 September 2017 level of total employment set an all-time record. However, labor force participation during 2017 remained at the same 40-year lows experienced since 2013.

Housing construction, which counts as residential investment rather than consumption spending, continued to improve in 2017, with housing starts nearing rates consistent with a growing economy, although as a share of GDP residential investment remains substantially below historical norms. Housing starts totaled 1.2 million units in 2017, the eighth consecutive annual increase in starts and the most starts since before the 2008-2009 recession. However, the number of starts during 2017 was less than the number any year during the period of 1993 to 2007.

As of the first quarter of 2018, the economy exhibited characteristics of a healthy economy in many respects: low unemployment rates, high consumer sentiment, and low inflation. Vehicle sales remain at historically strong levels, initial unemployment

claims are at record lows (especially as a share of the labor force), housing starts are finally rising at a level consistent with household formation, and the gap between short-term and long-term interest rates (often referred to as the “yield curve”) remains at a healthy level despite increases in short-term interest rates since early 2016. However, even without considering fiscal policy risks, substantial concerns and uncertainties remain: consumption growth has been accompanied by significant growth in consumer debt, productivity growth remains exceptionally low, inflation-adjusted incomes are flat to declining, for most of the working age population labor force participation rates are remaining at subdued levels or declining, business investment remains weak, and several factors suggest inflation may exceed Federal Reserve targets.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY2017-18, FY2018-19 and FY2019-20  
May 14, 2018 Senate Fiscal Agency, State of Michigan

### **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 34.5% between June 2009, when the U.S. recession ended, and December 2014, or approximately 2,300 jobs per month (an average growth rate of 5.5%). Since December 2014, job growth in manufacturing has slowed: 2.8% in 2015, 2.9% in 2016 and 1.7% in 2017. 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 1.8% gain in 2017 and since the end of 2016, most sectors of the Michigan economy have exhibited slower employment growth than the U.S. as a whole.

The unemployment rate declined from a high of 14.9% in June 2009 to 4.1% in October 2017, and has remained at that level through March 2018. 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.

During 2018, both the U.S. and Michigan economies are expected to expand at a moderately faster rate than during 2017. Although both the U.S. and Michigan economies are forecast to exhibit both income and employment growth during 2018 and later years, 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, a growing Federal fiscal stimulus, and stronger business investment in 2018 and 2019 that will more than offset slowing residential investment and exports, and the drag on the economy from increased imports.

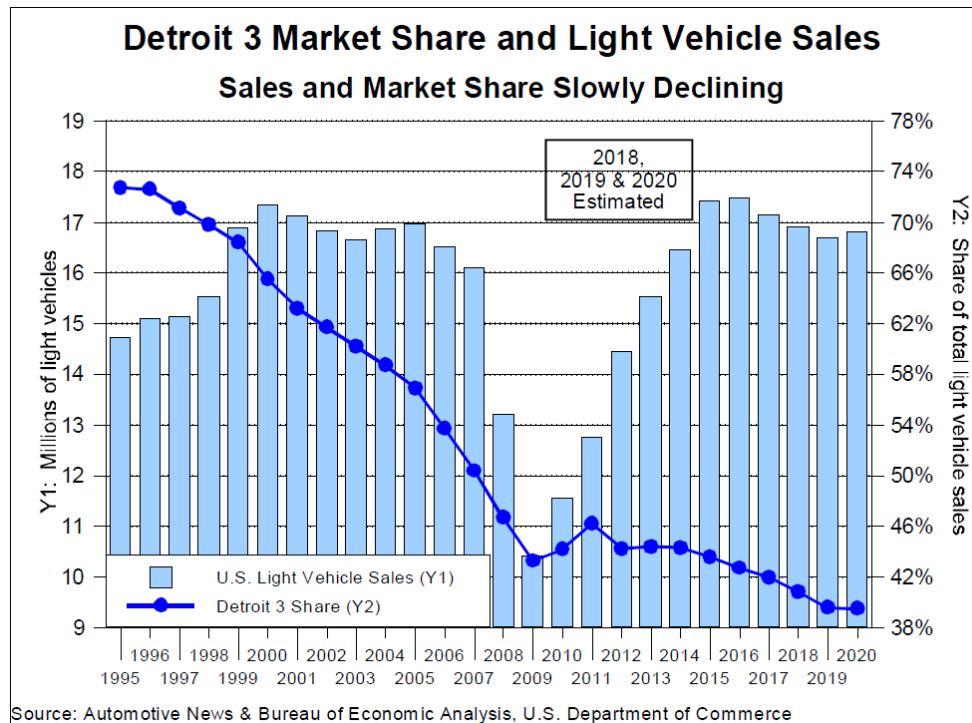
Employment gains over the forecast period will be muted, particularly compared with prior recoveries, because, while productivity growth is expected to be less than what was exhibited during the last decade, consumer demand is not likely to grow much more rapidly than productivity. Furthermore, business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

In Michigan both job growth and personal income growth are expected to remain below the national averages (despite outperforming the national averages in both 2010 and 2011) and below the historical State average. In Michigan, the relatively high, but declining, level of vehicle sales, stability in the housing market, and the strong national economy are expected to result in the unemployment rate decreasing from 4.4% in 2017, to 4.2% in 2018, 4.3% in 2019, and 4.2% in 2020.

While over the 2000-2009 period 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.

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. However, for Michigan’s future, 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. 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, but will generally remain stable.



Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY2017-18, FY2018-19 and FY2019-20  
May 14, 2018 Senate Fiscal Agency, State of Michigan

### Current Economic Environment

Michigan’s economy is expected to continue to grow during FY2018-19. Personal income will grow at the same rate as in FY2017-18; however, wage and salary employment will increase more slowly than in FY2017-18.

Inflation will be more of a concern over the forecast period than in recent years, but will largely be addressed by the anticipated success the Federal Reserve will have containing inflationary pressures. The U.S. Consumer Price Index is anticipated to increase 2.4% in 2018, followed by increases of 2.1% in 2019 and 2.0% in 2020.

Compared with the January 11, 2018, Consensus Economic Forecast, forecasted U.S. economic growth in both 2018 and 2019 is stronger, while the Michigan forecast is slightly weaker. Both the U.S. and Michigan forecasts predict continued growth, but

compared to the January 2018 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 2017, 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.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY2017-18, FY2018-19 and FY2019-20  
May 14, 2018 Senate Fiscal Agency, State of Michigan

LCC's leadership has remained firm in their stance to keep tuition rates low, in accordance with the mission to keep education affordable. 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 117](#), Michigan Community College Business Officers Association Tuition and Fees Survey for more information on tuition increases by college).

#### **LCC In-District Tuition Rate 5-year History**

<b>Fiscal Year</b>	<b>LCC \$ Increase</b>	<b>LCC In-District Tuition</b>	<b>LCC % Increase</b>	<b>State Average Increase</b>	<b>State Average In-District Tuition</b>	<b>State Average % Increase</b>
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%
2019	\$2	\$105	1.9%	\$2	\$113	1.9%

Source: LCLC Board of Trustees March 19, 2018 meeting materials - Agenda Item FY2019 Tuition Rates

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 or stagnant revenues.

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) 2017-18 General Fund/General Purpose (GF/GP) and School Aid Fund (SAF) revenue is expected to total \$23.7 billion, up 3.7% or \$851.4 million from the final revenue for FY2016-17 and \$339.8 million above the January 2018 consensus estimate. The projected revenue increase in FY2017-18 reflects the continued growth in sales and individual income taxes, offset in part by weaker business tax collections and use tax reductions due to the phase-in of personal property tax reform.

In FY 2018-19, GF/GP and SAF revenue is expected to total \$ 24.0 billion, a 1.1% or 261.6 million from the revised estimate for FY2017-18 and \$190.0 million above the January 2018 consensus revenue estimate. The revenue estimate reflects continued growth in sales tax and individual income tax revenue to the Michigan Transportation Fund and increased Homestead Property tax credit payments included in the 2015 transportation package.

Source: MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW - FY2017-18, FY2018-19 and FY2019-20  
May 14, 2018 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.

Since FY2017, the Performance Indicators Task Force recommendations were utilized for the appropriations formula regarding performance funding:



- 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 weighted contact hour completions. The metric recognizes course enrollment and establishes a new weighting for health and technology programs (2X that of other programs) that recognizes higher costs for those programs;
- 30% based on Performance/Completions. 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 expenses) 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. Strategic value is categorized into:
  - ✓ Economic development and business or industry partnerships;
  - ✓ Educational partnerships;
  - ✓ Community services.

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 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 MPSERS 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 MPSERS-covered payroll.

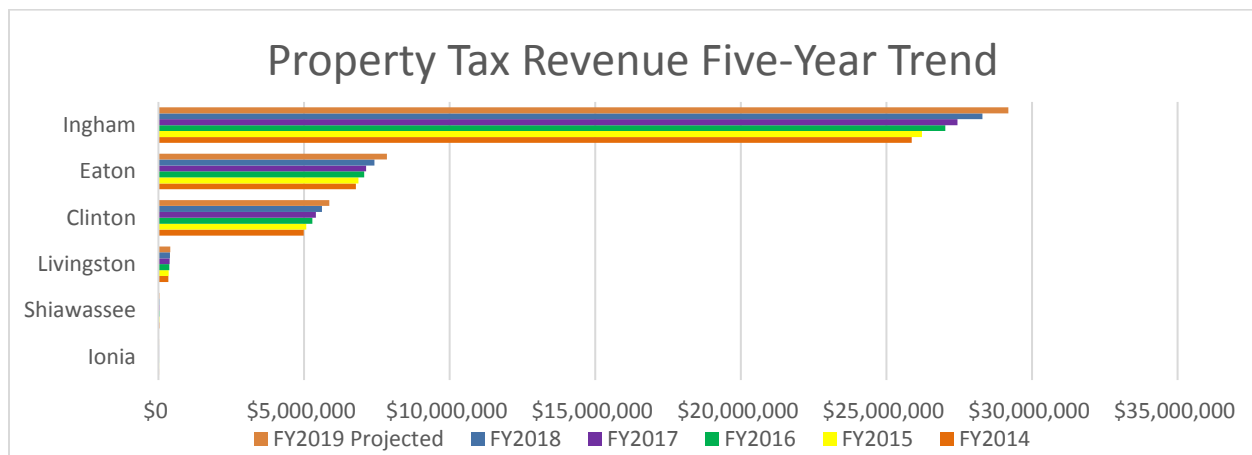
### **Property Tax Revenue Trends**

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. Until recently, the downturn in the Michigan economy and the shift in manufacturing employment had 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. 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 steadily declined to approximately 30.4% in both FY2016 and FY2017; then increased slightly in both FY2018 and FY2019. It is currently 32.8% of General Fund revenues for FY2019.

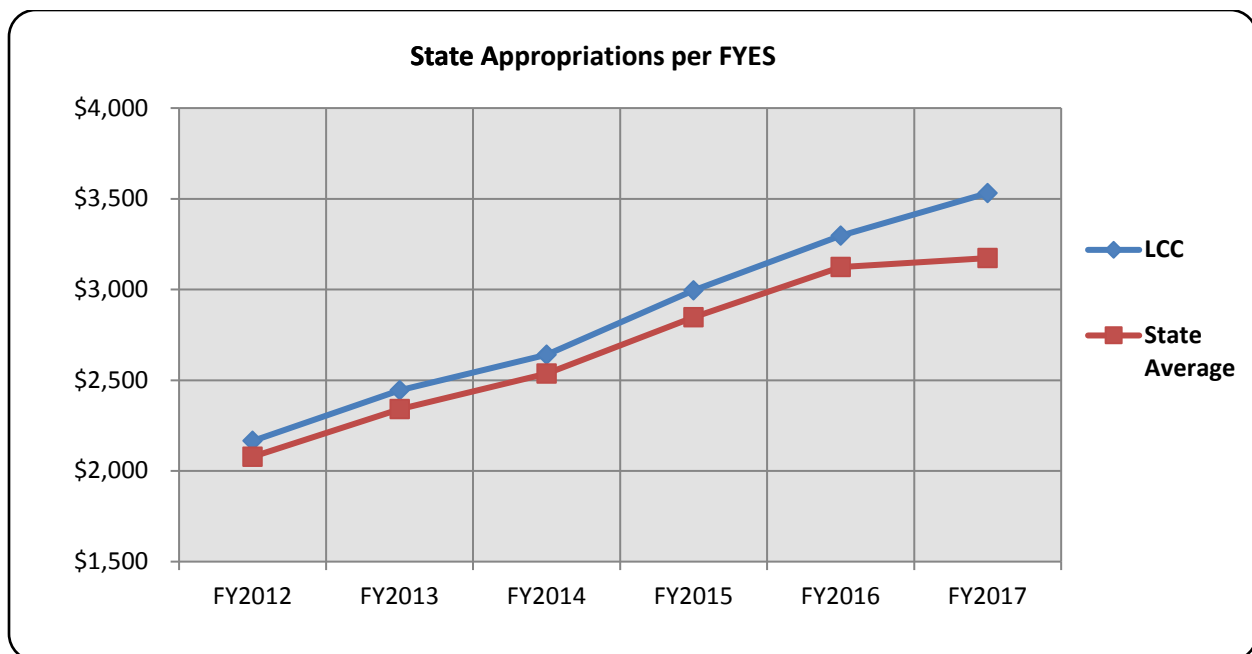
**Property Tax Revenues by County**

<b>COUNTY</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019 Projected</b>
Ingham	\$25,870,500	\$26,225,000	\$27,022,200	\$27,436,100	\$28,302,200	\$29,192,000
Eaton	\$6,781,200	\$6,867,500	\$7,066,800	\$7,137,100	\$7,418,600	\$7,852,000
Clinton	\$4,990,600	\$5,078,300	\$5,283,100	\$5,408,500	\$5,610,600	\$5,865,000
Livingston	\$345,900	\$351,800	\$370,600	\$381,600	\$393,500	\$405,000
Shiawassee	\$28,600	\$28,800	\$30,000	\$30,500	\$30,800	\$32,000
Ionia	\$22,600	\$22,900	\$23,000	\$23,600	\$24,400	\$25,000
<b>Total</b>	<b>\$38,039,400</b>	<b>\$38,574,300</b>	<b>\$39,795,700</b>	<b>\$40,417,400</b>	<b>\$41,780,100</b>	<b>\$43,371,000</b>

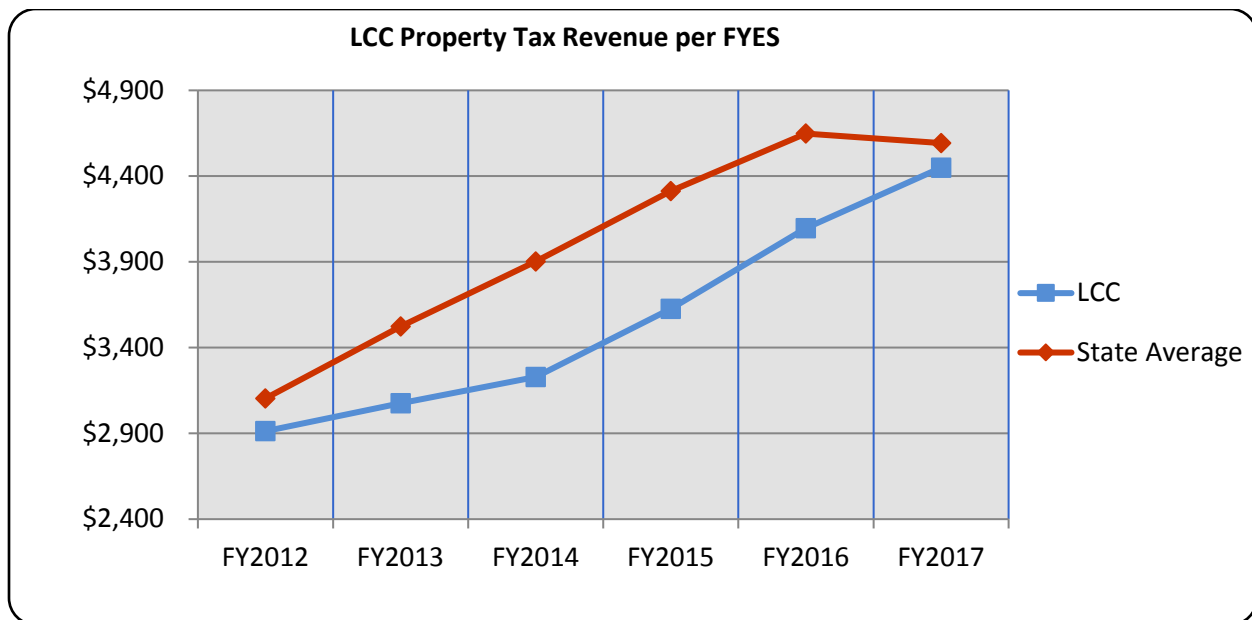
The five-year history of property tax revenues by county below clearly shows the slight upturn in totals beginning in FY2015. This trend is expected to continue through FY2019.



Lansing Community College's trend for state appropriations per FYES mirrored the state average from FY2012 –FY2016. In FY2017, LCC State Aid Revenue per FYES is \$3,351, slightly above the state average of \$3,173. The latest available data (ACS 2016-17 Data Book & Companion) is represented below:



Unlike the State average, LCC's Property Tax Revenue per FYES fell sharply behind the state average from FY2012 through FY2016. In FY2017, LCC's \$4,449 per FYE Property Tax Revenue is slightly lower than the state average of \$4,592 (see below).



## 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 63% in-district hours. (For more information on LCC's student demographics, see Selected Statistics [page 112](#)). Tuition and fees revenue decreased 5.9% and 4.9% for FY2015 and FY2016 respectively. FY2017 experienced an increase in Tuition and Fee Revenue and, based on projections, this revenue source will increase by 2.3% over FY2017's experience for FY2018. The FY2019 adopted budget assumes a no-growth enrollment from FY2018 levels and assumes a tuition and fees revenue increase of 0.9% over FY2018 budget.

- 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 FY2018 indicate a further decline of 6% in credit hours.

### Five-Year Enrollment Trend 2012-2017

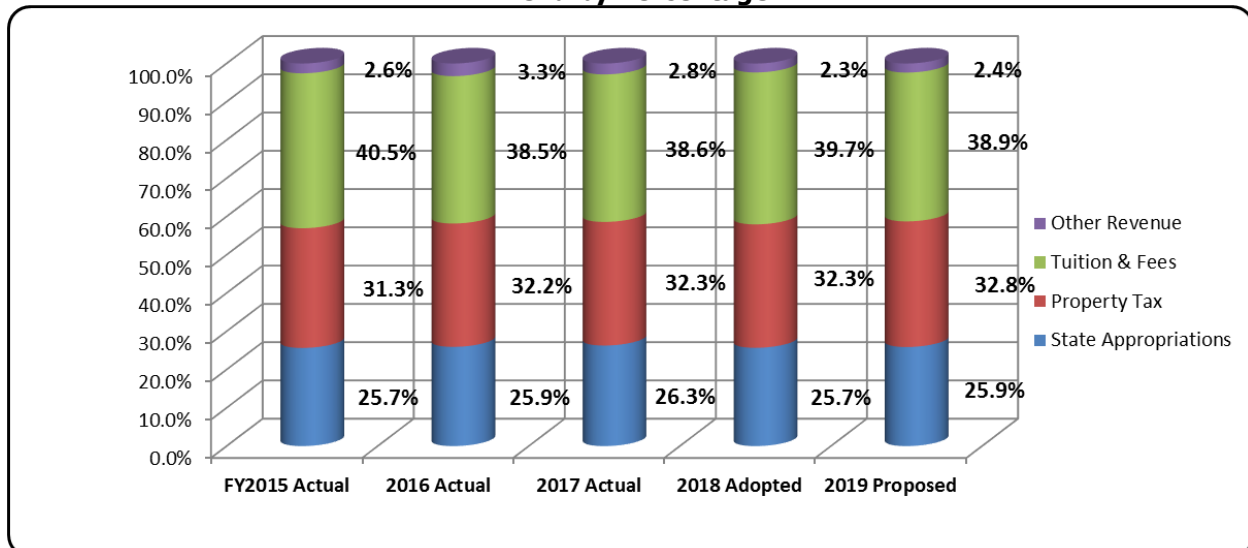
Enrollment	FY2013	FY2014	FY2015	FY2016	FY2017
Unduplicated Head Count	29,245	27,734	25,574	25,527	23,353
Full-time Equivalents	12,124	11,374	10,313	9,570	8,971
Total Credit Hours	375,835	352,592	319,717	296,678	269,131

### Impacts on FY2019 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 FY2019, 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 FY2019, the adopted budget maintains the ratio of revenue sources to the whole varies by less than +/- 1.0%. See the charts below for revenue source trends at LCC.

Account Description	FY2015 Actual	2016 Actual	2017 Actual	2018 Adopted	2019 Proposed	Percent Change 2018 to 2019
State Appropriations	\$31,112,791	\$31,545,505	\$32,464,347	\$32,410,000	\$33,651,000	3.8%
Property Tax	\$37,930,260	\$39,207,101	\$39,910,486	\$40,709,000	\$42,671,000	4.8%
Tuition & Fees	\$49,110,493	\$46,840,847	\$47,626,000	\$50,106,000	\$50,553,500	0.9%
Other Revenue	\$3,108,187	\$4,017,039	\$3,518,184	\$2,950,000	\$3,080,000	4.4%
<b>Total Revenues</b>	<b>\$121,261,731</b>	<b>\$121,610,492</b>	<b>\$123,519,017</b>	<b>\$126,175,000</b>	<b>\$129,955,500</b>	<b>3.0%</b>

### General Fund Revenue Sources Trend by Percentage

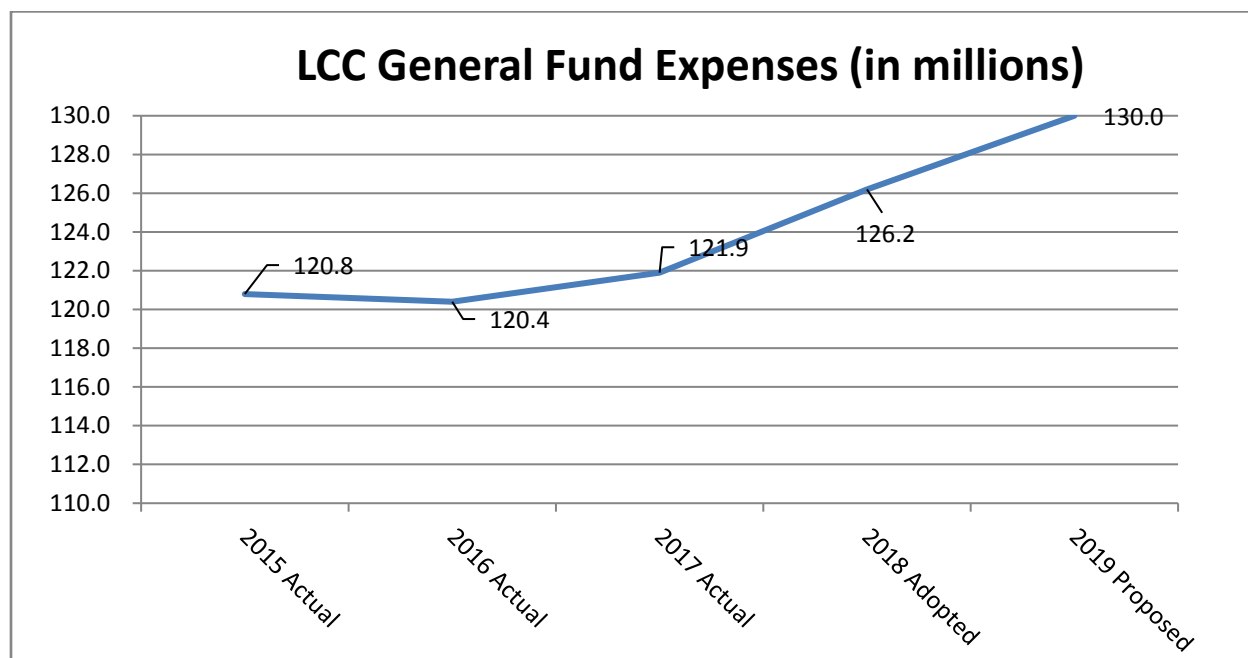


Rising costs, reduced or stagnant state appropriations and voter reluctance to increase millage rates leave community colleges with the sole option of raising tuition if they wish to maintain or expand programs. This option has been forced on all the

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 FY2019, the proposed budget estimates tuition and fees revenue at 38.9% of total revenues, decreasing slightly from FY2018 adopted.

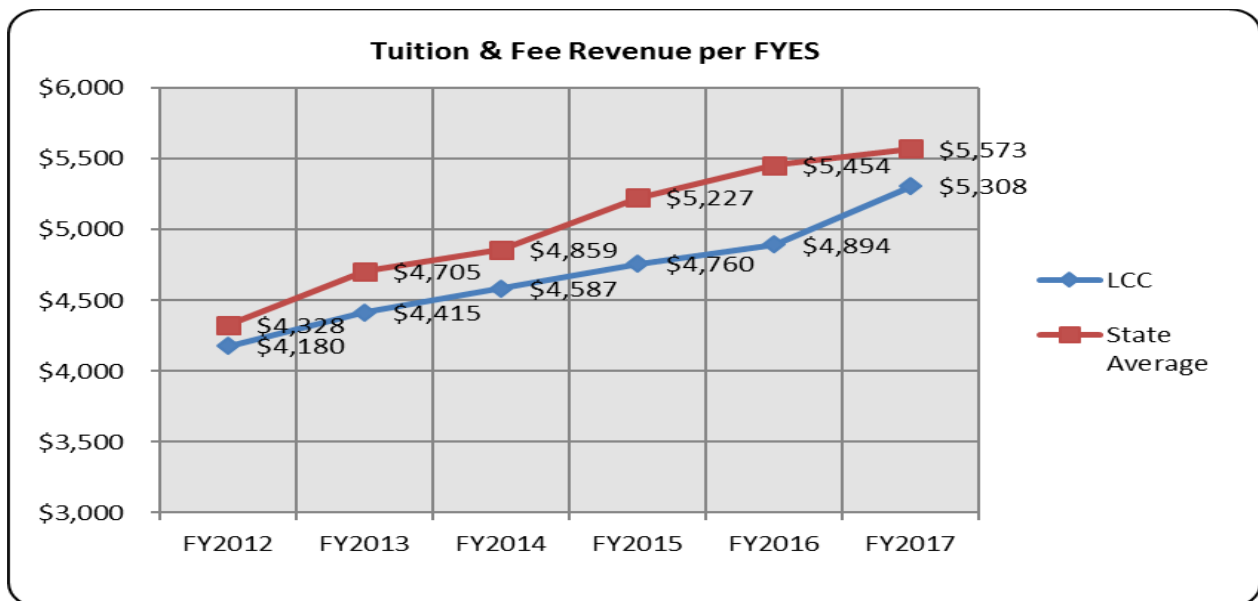
LCC continues to face the prospect of mitigating rising costs that outpace revenues. Since 2008, measures such as capped health care expenses, elimination of certain high cost academic programs, workforce reductions, implementation of efficiencies and careful tuition pricing have stabilized operations 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 fourth 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 for the state average, 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 FY2019 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 FY2019. The planned changes ranged from a 0% to a 8.1% increase for in-district tuition. The average in-district projected increase was 1.98%. See the Michigan Community College Business Officers Association - Tuition and Fees Survey in the Appendix ([page 117](#)).

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."

In February, the FY2019 budget planning process indicated that a \$2 in-district tuition increase would be needed to maintain service levels. The two-year Forecast presented to the Board February 18<sup>th</sup> assumed the tuition increase to create a balanced budget for FY2019.

In past years the Board of Trustees has approved the changes to tuition rates in June as part of adopting the next year's budget, leaving little time to modify the proposed budget to meet the June 30<sup>th</sup> legal deadline for adoption in the event that the Board did not approve the recommended tuition rates. The short timeframe could lead to making less than optimal decisions for budget adjustments. Students who registered did not

receive accurate cost information at the time of Fall registration, since changes to the tuition rate were not known.

The tuition rate increase proposal shown below was presented and approved at the March 19, 2018 regular Board of Trustees meeting:

<b>Residency</b>	<b>Current Tuition Rate</b>	<b>Proposed Tuition Rate Fall 2018</b>	<b>Percentage increase</b>
In-District	\$103	\$105	1.9%
In-State	\$206	\$210	1.9%
Out-of-State	\$309	\$315	1.9%
International	\$360	\$367	1.9%

During the budget development, the college made strategic fiscal decisions to realign expenses within the overall operational budget baseline, redirecting resources to the achievement of the Strategic Plan and Student Success and preventing a reduction from FY2018 service levels to student. Efficiency enhancements and savings totaling \$52 thousand were identified by divisions and incorporated into the proposal to assist with funding essential or unavoidable increases. Reallocations of \$4.202 million to better support the Strategic Plan were also included (see below).

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

<b>FY2018-2019 Savings (in thousands)</b>		
<b>Division</b>	<b>Description</b>	<b>Net Savings</b>
<b>Academic Affairs</b>	Reduce utilization of student employees	<b>\$16</b>
<b>Executive</b>	Reduce expenses in Provost's Office for printing, telephone, supplies & travel, training & conferences	<b>\$5</b>
<b>Financial Services</b>	Reduce overtime expense in Division Office, Accounting, Payroll, Student Finance, Purchasing & Financial Aid	<b>\$16</b>
<b>Info Tech Services</b>	Reduce expenses for printing, telephone & supplies across all departments in the division	<b>\$15</b>
	<b>Total Savings</b>	<b>\$52</b>



FY2018-2019 Reallocations (in thousands)			
Division	Description	Gross Amount	Net Amount
Academic Affairs	Based upon analysis of current spending trends, reallocated expenses between departments and transferred the One Book program to the Centre for Engaged Inclusion from the Library	\$42	\$25
Admin Services	Reallocated based upon spending trends & funding from student position to part-time support position	\$376	\$0
AEA	Based upon analysis of current spending trends, reallocated expenses between departments including an additional C3R support position and new student position in AEA divisional office	\$101	\$0
Arts & Sciences	Based upon analysis of current spending trends, reallocated expenses between departments including PT faculty reallocations to Math and English for Developmental Education redesign and Embedded Academic Support	\$1,251	\$0
Financial Services	Based upon analysis of current spending trends, reallocated expenses between departments and non-labor expenses and reallocated to Human Resources for new employee recruitment position	\$47	(\$31)
HHS	Based upon analysis of current spending trends, reallocated expenses between departments and PT faculty reallocations for Embedded Academic Support	\$720	(\$584)
Human Resources	Based upon analysis of current spending trends, reallocated expenses within division and reallocate funding for new employee recruitment position, with funding from Financial Services & ITS and transferred funds to Office of Compliance for Clery Act oversight and training	\$105	\$10
InfoTech Services	Based upon analysis of current spending trends, reallocated expenses between departments and redistribute funds to HR for new employee recruitment position	\$23	(\$9)
Student Affairs	Based upon analysis of current spending trends, reallocated expenses between departments and new Testing Specialist position	\$76	\$0
Student Success	Increase funding for face-to-face and online tutoring, supplemental instruction, and student staff	\$1,781	\$1,408
Tech Careers	Based upon analysis of current spending trends, reallocated expenses between departments and PT faculty reallocations for Embedded Academic Support	\$224	(\$202)
All	Benefit rates adjusted based upon analysis of current trends and funds reallocated to Student Success	(\$647)	(\$647)
Total Reallocations		\$4,202	\$0

### Redesign of Developmental Education

On January 11, 2018, Dr. Kay McClenney came to LCC to consult with the LCC Board of Trustees, LCC Leadership and to speak to the entire college community. Dr. McClenney discussed the shifting understanding of best practices in developmental education. As a result of her visit, the Board of Trustees understood that practices that used to help

students get college-ready are no longer working and the coaching system would not be successful if left to be a voluntary process (for the students).

At the January 22, 2018 Board of Trustees meeting, the Board of Trustees adopted a resolution to adopt the *Six Core Principles for Transforming Remediation within a Comprehensive Student Success Strategy*. The Board directed the President to take all steps necessary to implement the six core principles at LCC with a goal of initiating first implementation steps beginning in August 2018, and achieving substantial completion of implementation by August 2020.

The six core principles from a Joint Statement by Achieving the Dream, American Association of Community Colleges, Charles A. Dana Center of the University of Texas, Complete College America, Education Commission of the States and Jobs for the Future are:

- Principle 1. Every student's postsecondary education begins with an intake process to choose an academic direction and identify the support needed to pass relevant credit-bearing gateway courses in the first year.
- Principle 2. Enrollment in college-level math and English courses or course sequences aligned with the student's program of study is the default placement for the vast majority of students.
- Principle 3. Academic and nonacademic support is provided in conjunction with gateway courses in the student's academic or career area of interest through co-requisite or other models with evidence of success in which supports are embedded in curricula and instructional strategies.
- Principle 4. Students for whom the default college-level course placement is not appropriate, even with mandatory support, are enrolled in rigorous, streamlined remediation options that align with the knowledge and skills required for success in gateway courses in their academic or career area of interest.
- Principle 5. Every student is engaged with content of required gateway courses that is aligned with his or her academic program of study – especially in math.
- Principle 6. Every student is supported to stay on track to a college credential, from intake forward, through the institution's use of effective mechanisms to generate, share and act on academic performance and progression data.

The same resolution directed the President to take all steps necessary, as expeditiously as possible, to improve equity at LCC by supplementing or replacing current student placement methods with multiple measurements intended to increase the number of incoming students allowed to take gateway English and math courses during their first year of enrollment and by redeploying faculty and staff resources as appropriate to enable under-prepared students to succeed in such courses.

In response, despite the nebulous nature of precisely how implementation of embedded academic supports and equitable placement methods would be manifested, the Administration's FY2019 Budget Proposal included \$1.2 million in funding for the work

associated with redesigning developmental education and embedded academic support and an additional \$1.6 million over FY2018 funding for tutoring and supplemental instruction personnel.

The Board's regular planning cycle indicates a budget proposal will come before the Board at the regular June meeting. On May 8<sup>th</sup>, 2018, a budget workshop was held to present a draft of the Administration's proposal to the Board of Trustees. The proposal used the approved tuition rates and compared the proposal elements to the forecast presented in February shown below:

<b>Net Change from FY2018 Adopted Budget</b>		
Description	FY2019 Forecast	FY2019 Proposed Draft Budget
State Appropriations	2.6%	2.6%
Property Taxes	2.0%	2.0%
Student Fees	\$63,000	\$63,000
In-District tuition increase	\$2	\$2
<b>Total Revenues - Change from FY2018 Adopted Budget</b>	<b>2.4%</b>	<b>2.5%</b>
Salaries and Benefits	3.6%	3.8%
Services and Supplies	3.6%	3.8%
Scholarships, Grant Match, Transfers, Debt Service & Contingency	0.4%	0.2%
<b>Total Expenses -Change from FY2018 Adopted Budget</b>	<b>2.4%</b>	<b>2.5%</b>

Subsequent to the May 8<sup>th</sup> budget workshop with the Board of Trustees, additional information has become available relative to State Appropriations and Property Taxes. In both cases, the new information was favorable to LCC. Also, internal discussions continue on the implementation of Embedded Academic Support, the redesign of Developmental Education and the use of multiple measures for assessing incoming students' academic preparation for enrolling in college-level course, especially Mathematics and English.

While these discussions are very productive and positive, they are not currently at the level of detail necessary to assess the impact on student tuition and fee revenue. Due to the uncertainty of the financial impact, the budget for tuition and fee revenue has been reduced for the proposal. In addition, certain expenses have been adjusted. The effect of these changes is a 0.5% change to the budget being presented to the Board of Trustees for adoption from the FY2019 budget presented at the May 8<sup>th</sup> workshop.

The Board unanimously adopted the Administration's proposed budget as recommended at the regular meeting of June 18<sup>th</sup>, 2018.

# **FIVE-YEAR CAPITAL PLAN SUMMARY**

## **Background**

The College's capital plan is dynamic and is updated on a regular basis to reflect the most recent assessment of all projects required to address the evolving academic programs and services needed. The college completed the *Build Forward* project and established the Center for Manufacturing Excellence in fiscal year 2017. In fiscal year 2018 the Board of Trustees approved a new Strategic Capital Budget, including funding for the renovation of the Teaching and Learning Center, the Health and Human Services building, and West Campus. Tax-exempt bonds were issued in December 2017 to finance these projects. We have remained flexible to provide services efficiently while maintaining our commitment to students. We are encouraged by the continued dedication of our employees and the Board of Trustees to make Lansing Community College an excellent place of higher education. Lansing Community College ~ "*Where Success Begins*".

In fiscal year 2016 Lansing Community College began work to modify and expand overall learning space at West Campus for the Center for Manufacturing Excellence. LCC has modified existing labs and added a significant expansion to increase the overall learning space from 14,000 square feet to nearly 27,000 square feet. With these modifications, LCC has added advanced, high-tech equipment to create a "real world" training environment. A key element to this expansion has been LCC's flexible approach to equipment configuration within the Flexible Manufacturing System (FMS). By mirroring the FMS in use on the factory floors of area manufacturers, the CME provides LCC students direct access to train on some of the most advanced industrial networking systems in Michigan. LCC has tied together the specialties of mechatronics, machining, and welding for a true systems approach, allowing LCC to deliver high-tech education and training with the most advanced automation components and technology that are commercially available today. LCC began training highly skilled workers to fill high-demand, high-wage positions with regional manufacturers in the fall of 2016.

In fiscal year 2018, the Board of Trustees issued a \$12.0 million bond to finance capital projects to support the Strategic Capital Budget projects. These projects will create dynamic and adaptable learning spaces; technology-rich learning environments and infrastructure; inviting environments for attracting and retaining students and enhancing the community; and necessary major maintenance projects to avoid deferred maintenance costs.

Source: Spring Semester Charge Up Remarks January 4, 2018

## **Five-Year Capital Plan Adopted by the Board of Trustees October, 2017**

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### **Five-Year Capital 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, to match career and workforce development pursuits, transfer curricula, developmental, or special interest needs. Courses are offered 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.

### **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.

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.

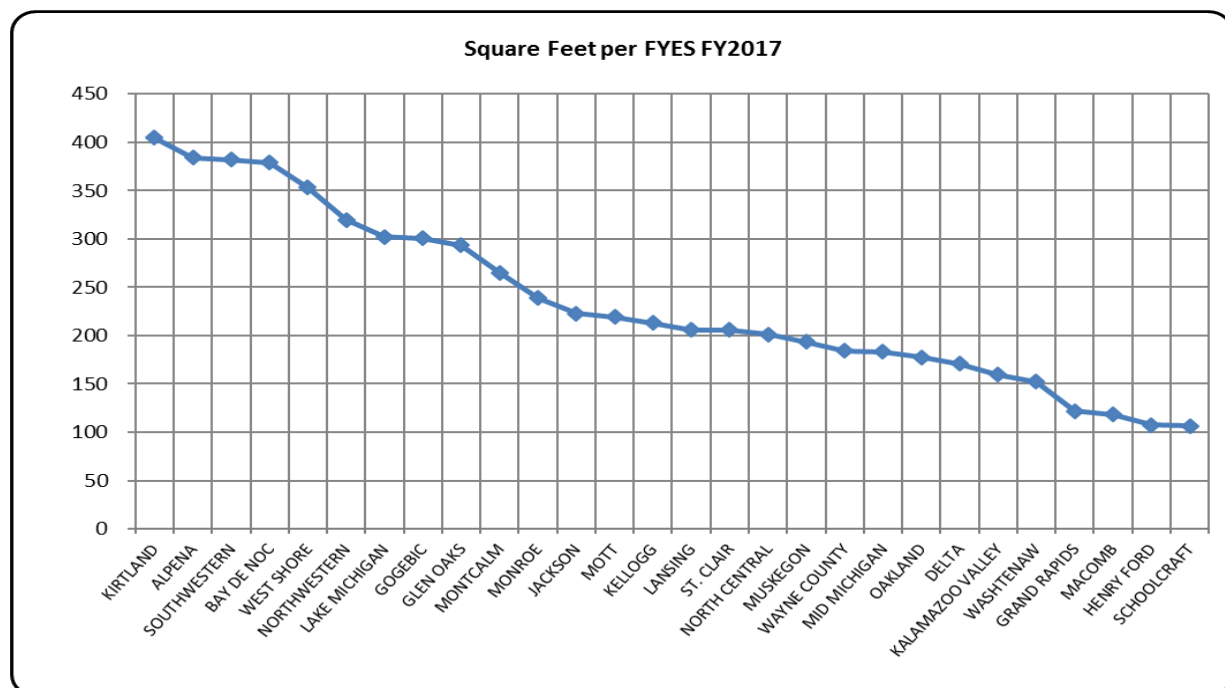
LCC's current physical plant consists of 25 owned major buildings and, including leased spaces, totals over 1.8 million square feet of floor space. This includes a parking structure of 318 thousand square feet. The College's currently owned space includes 1.529 million square feet of gross building space. The estimated value of the College buildings exceeds \$400 million dollars. Founded in 1957, LCC will be celebrating its 60th

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 53.2 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 FY2018, the schedule below shows a dramatic drop in FY2019 to \$3.2 million; then stabilizes near that mark until FY2022 at \$3.05 million overall. There is a detailed schedule, by building, included in the Five-Year Capital Plan.

### 2017 Facilities Assessment Summary

Facility Category	FY2018	FY2019	FY2020	FY2021	FY2022
Architectural	\$168,000	\$512,000	\$470,500	\$453,000	\$229,500
Electrical	\$993,500	\$691,000	\$455,500	\$247,000	\$354,500
Envelope	\$315,000	\$553,500	\$321,000	\$889,000	\$378,000
Maintenance	\$120,000	\$350,000	\$350,000	\$55,000	\$120,000
Mechanical	\$3,466,000	\$512,500	\$960,000	\$761,500	\$861,500
Other	\$85,000	\$85,000	\$85,000	\$85,000	\$85,000
Roof Repair/Replace	\$539,000	\$347,500	\$263,000	\$503,500	\$980,000
Site Repairs	\$81,000	\$153,500	\$100,000	\$100,000	\$42,500
<b>Grand Total</b>	<b>\$5,767,500</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 15<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).



## LCC Capital Projects

Capital projects are necessary to transform the student experience into dynamic teaching, learning and support environments, positioning LCC as a leader in community college education and to maintain campus facilities to avoid deferred maintenance costs.

A chart showing the funding status of the FY2018 Capital Projects in progress can be seen below.

### Capital Projects Period ending May 31, 2018

	Project Approved Budget	Cumulative Project Expenses	Available Balance
<b>Capital Project: Campus Wide Tree &amp; Landscape Improvements</b>			
Construction Costs	\$ 2,757,821	\$ 2,757,821	\$ -
Contingency	\$ 142,179	\$ -	\$ 142,179
<b>Totals</b>	<b>\$ 2,900,000</b>	<b>\$ 2,757,821</b>	<b>\$ 142,179</b>
<b>Capital Project: 505 Capitol 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>2017-18 Strategic Capital Projects</b>			
Dart & Early Learning Children's Community Mechanical Upgrades	\$ 547,000	\$ 10,400	\$ 536,600
Contingency	\$ 53,000	\$ -	\$ 53,000
TLC Primary Switchgear & Transformer and Main Switchboard	\$ 575,000	\$ 19,231	\$ 555,769
Contingency	\$ 50,000	\$ -	\$ 50,000
West Campus Kitchen Roof Top Units and Storage Area	\$ 700,000	\$ 15,428	\$ 684,572
Contingency	\$ 50,000	\$ -	\$ 50,000
<b>Totals</b>	<b>\$ 1,975,000</b>	<b>\$ 45,059</b>	<b>\$ 1,929,941</b>
<b>2017 Capital Projects Bond Issue</b>			
Technology and Learning Center	\$ 7,800,000	\$ -	\$ 7,800,000
Contingency	\$ 900,000	\$ -	\$ 900,000
Health and Human Services Building	\$ 1,300,000	\$ 1,178,645	\$ 121,355
Contingency	\$ 100,000	\$ -	\$ 100,000
West Campus	\$ 1,800,000	\$ 71,124	\$ 1,728,876
Contingency	\$ 100,000	\$ -	\$ 100,000
<b>Totals</b>	<b>\$ 12,000,000</b>	<b>\$ 1,249,769</b>	<b>\$ 10,750,231</b>

Source: Board of Trustees Board Meeting Materials June 18, 2018

## LCC 2019 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.

The design and renovation of this facility will comply with Leadership in Energy and Environmental Design (LEED) design and construction principles. 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.

This project will include the creative adaptive re-use of an existing building that is contiguous to the Downtown campus and surrounding neighborhoods. When the building was vacated, LCC was committed to including it into its campus. It is estimated

that it will cost \$7,000,000 to properly upgrade and renovate. The LCC Board of Trustees in June 2013 designated \$1,800,000 of the General Fund balance for the renovation of the College property located at 505 N. Capitol Avenue in Lansing. LCC is committed to provide the additional \$1,450,000 when the project is approved by the state. This will bring the total available match to \$3,250,000.

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, 2018:

<b>Lansing Community College</b>
<b>Bonded Debt Amortization Schedule</b>

Year	Total
FY19	6,897,000
FY20	6,895,000
FY21	6,197,000
FY22	6,197,000
FY23	6,199,000
FY24	6,196,000
FY25	6,195,000
FY26	6,198,000
FY27	6,099,000
FY28	6,096,000
FY29	6,095,000
FY30	6,097,000
FY31	6,096,000
FY32	6,098,000
FY33	1,229,000
FY34	1,228,000
FY35	1,231,000
FY36	1,231,000
FY37	1,229,000
Total	93,703,000

In November 2017, Standard and Poor's AA bond rating and Moody's Investor Service Aa2 bond rating were reaffirmed.

# **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 expense 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 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 expenses incurred.

Expenses 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 87](#)). 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 123-128](#), and *Active Grants*, [pages 109-110](#)).

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

#### **II. Scope**

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

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

#### **III. General**

##### **A. Required budget elements**

1. Breakdown of anticipated revenues by source with comparative actual revenues for the preceding two fiscal years, and an original budget, amended budget and actual for each.

2. Proposed expenses for each major category with comparative actual expenses for the preceding two (2) fiscal years, and an original budget, amended budget and actual for each.
- 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 by providing the proposed general fund's budget for each of 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 expenses 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 expenses 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 expenses 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 expenses 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 expenses 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, expenses 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> <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> </ul>

	<ul style="list-style-type: none"> <li>• Publish summary of audit in newspaper of general circulation per MCL 389.143</li> </ul>
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### **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.

## **FY2019 BUDGET ESTABLISHMENT**

### **Timeline for FY2019 Budget Development**

11/29/17 – 12/6/17	Financial Briefings held to provide general information to Deans, Department Heads, support staff and others in the campus community
1/24/18 – 1/25/18	Conduct Budget Launch Meetings to discuss process and distribute Budget Development instructions and baseline Budget Item Detail
2/12/18	FY2019 Divisional Savings Recommendations due to Financial Planning, Analysis and Review (FPAR) after Sr. VP review and concurrence*

2/18/18	Financial Forecast presented to Board of Trustees, including tuition increase to create a balanced budget for FY2019
2/19/18	Savings Recommendations summarized and forwarded to the Executive Budget Committee for deliberation
3/5/18	FY2019 Reallocation Proposals due to FPAR after Sr. VP review and concurrence*
3/19/18	Tuition increase presented for adoption
3/12/18	Reallocation Proposals summarized and forwarded to the Executive Budget Committee for deliberation
3/19/18	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
2/20/18-4/30/18	Executive Budget Committee reviews and prioritizes to develop Budget recommendation
5/8/18	Present FY2019 Budget Proposal at Board Workshop
6/18/18	Administration's FY2019 Budget Proposal presented 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 FY2019 baseline. A baseline was prepared with the following assumptions:
  - a. For enrollment planning purposes, enrollment is projected to be at FY2018 levels.
  - 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 and Media Technology Replacement
- b. Major Maintenance & Renovation
- c. Capital Equipment

**FY2019 BUDGET  
EXECUTIVE SUMMARY,  
DETAIL  
AND  
FINANCIAL  
INFORMATION**



June 18, 2018

## **Lansing Community College Fiscal Year 2019 Proposed Budget Narrative**

### **Introduction**

The FY2018 Budget process started in December 2017 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 2018, two FY2019 "*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 FY2019 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 FY2019 "*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 February 19, 2018, the Chief Financial Officer presented a high-level two-year financial forecast to the Board. That forecast projected a balanced budget for FY2019 and included a \$2 increase in the In-District tuition rate (from \$103 to \$105). In March 2018, the Board of Trustees approved a \$2 increase to in-district tuition, a \$4 increase to in-state tuition, and a \$6 increase to out-state tuition rates.

Based upon review and acceptance of various Savings Recommendations and Reallocation Requests, a draft FY2019 budget was discussed with the members of the Board of Trustees at a workshop held on May 9<sup>th</sup>. This draft budget included over \$52 thousand of accepted Savings Recommendations and in excess of \$4.2 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 Embedded Academic Support and to prevent a reduction in the existing levels of service to students. Subsequent to the May 9<sup>th</sup> budget workshop with the Board of Trustees, additional information has become available relative to State Appropriations and Property Taxes. In both case, the new information was favorable to LCC. Also, internal discussions continue on the implementation of Embedded Academic Support, the redesign of Developmental Education and the use of multiple measures for assessing incoming students' academic preparation for enrolling in college-level course, especially Mathematics and English. While these discussions are very productive and positive, they are not currently at the level of detail necessary to assess the impact on student tuition and fee revenue. Due to the uncertainty of the financial impact, the budget for tuition and fee revenue has been reduced for the proposal. In addition, certain expenses have been adjusted. The effect of these changes is a 0.5% change to the budget being presented to the Board of Trustees for adoption.

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**

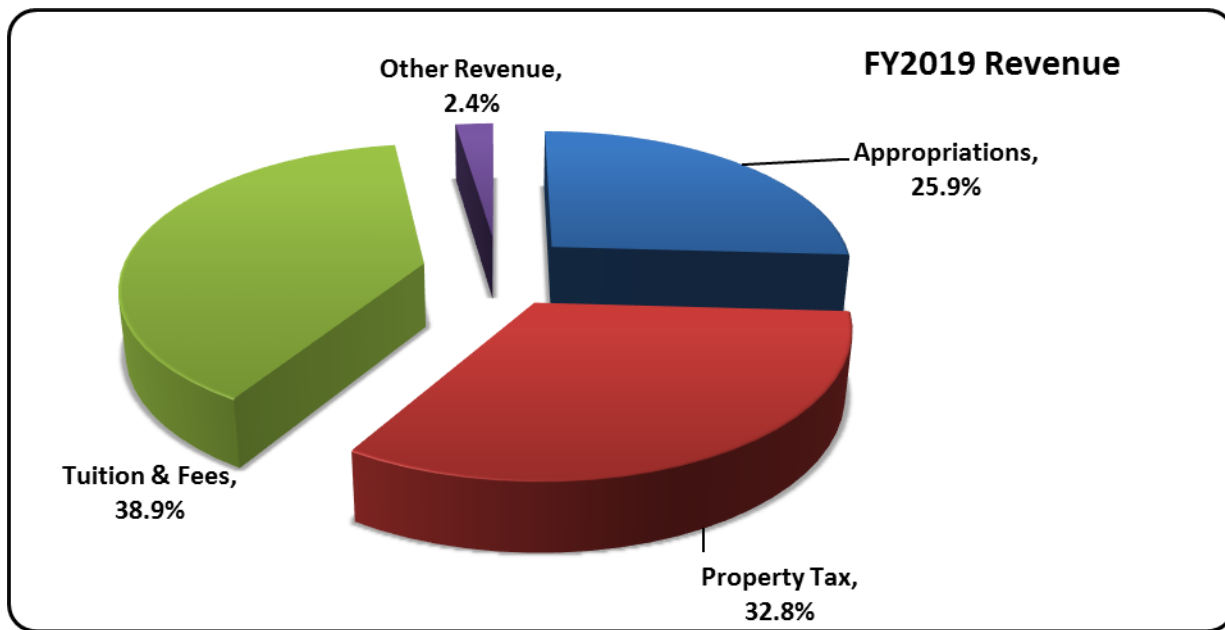
Lansing Community College's Fiscal Year 2019 (FY2019) proposed budget is presented to the Board of Trustees in summary form with supporting documentation. The Administration requests adoption as proposed.

Total revenues are projected to exceed \$129 million

#### **Revenues**

##### Summary of Fiscal Year 2019 General Fund Revenues

<b>Account Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Adopted Budget</b>	<b>2019 Proposed</b>	<b>Percent Change 2018 to 2019</b>
State Appropriations	\$31,545,505	\$32,464,347	\$32,410,000	\$33,651,000	3.8%
Property Tax	\$39,207,101	\$39,910,486	\$40,709,000	\$42,671,000	4.8%
Tuition & Fees	\$46,840,847	\$47,626,000	\$50,106,000	\$50,553,500	0.9%
Other Revenue	\$4,017,041	\$3,518,184	\$2,950,000	\$3,080,000	4.4%
<b>Total Revenues</b>	<b>\$121,610,494</b>	<b>\$123,519,017</b>	<b>\$126,175,000</b>	<b>\$129,955,500</b>	<b>3.0%</b>



State Appropriations – The State’s FY2019 appropriations to Lansing Community College are budgeted to increase by 3.8%. This increase is based on the Joint Senate/House Conference Committee recommendation of June 5<sup>th</sup>, 2018 and an estimated additional funding that replaces LCC’s lost property tax revenue due to the corporate personal property reform.

Property Taxes – For FY2019, net property tax revenue is estimated to increase by 4.8% 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 and improved property tax collections due to the recent improvement in the local economy. This increase is partially 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 \$50.6 million in tuition and fees includes the Board approved 1.9% increase in tuition rates in-district, in-state, out-of-state and international students of \$2, \$4, \$6, and \$7 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. As discussed above, the impact of the changes in Developmental Education on enrollment is difficult to determine and therefore, a conservative approach has been used for estimating enrollment.

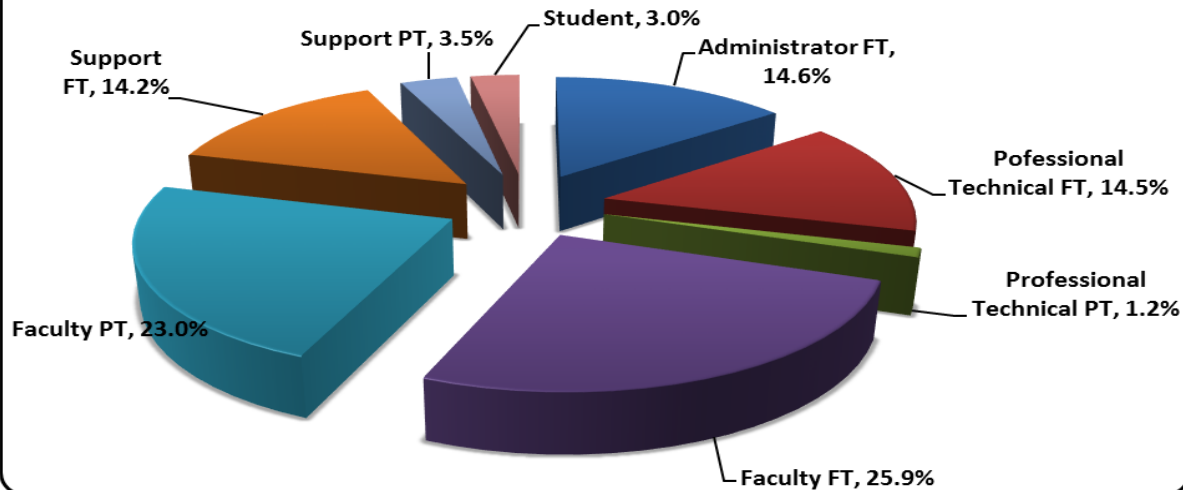
Other Revenues – Other revenues include the College’s contracts with the Eaton and Clinton County Regional Educational Services Agencies, interest income, University Center income, rental income, and other miscellaneous revenues. The College projects a 4.4% increase in Other Revenue for FY2019.

## Operating Budgets

Salaries, Wages, and Benefits – Salaries and benefits will comprise 67.8% of all General Fund expenses and transfers in FY2019. This is compared to 67.9% in the FY2018 budget. The net increase is primarily related to:

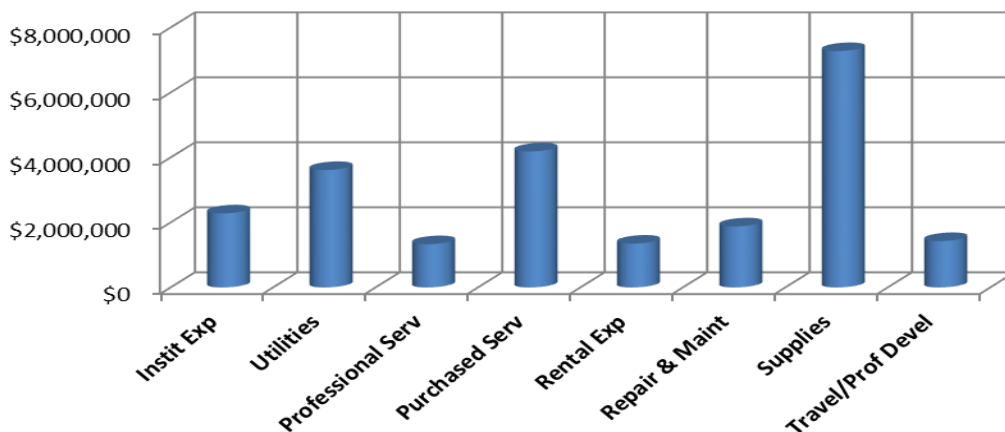
1. contractual obligations in the college's collective bargaining agreements;
2. The refinement of the methodology used to budget for adjunct faculty costs;
3. recalculation of the average effective rates for employee benefits.

**FY2019 Salary & Wage Costs by Category**



Services and Supplies – Services and supplies are projected to increase 6.3% from the FY2018 budget. This includes increases in all operating expenses with the exception of Institutional Expenses.

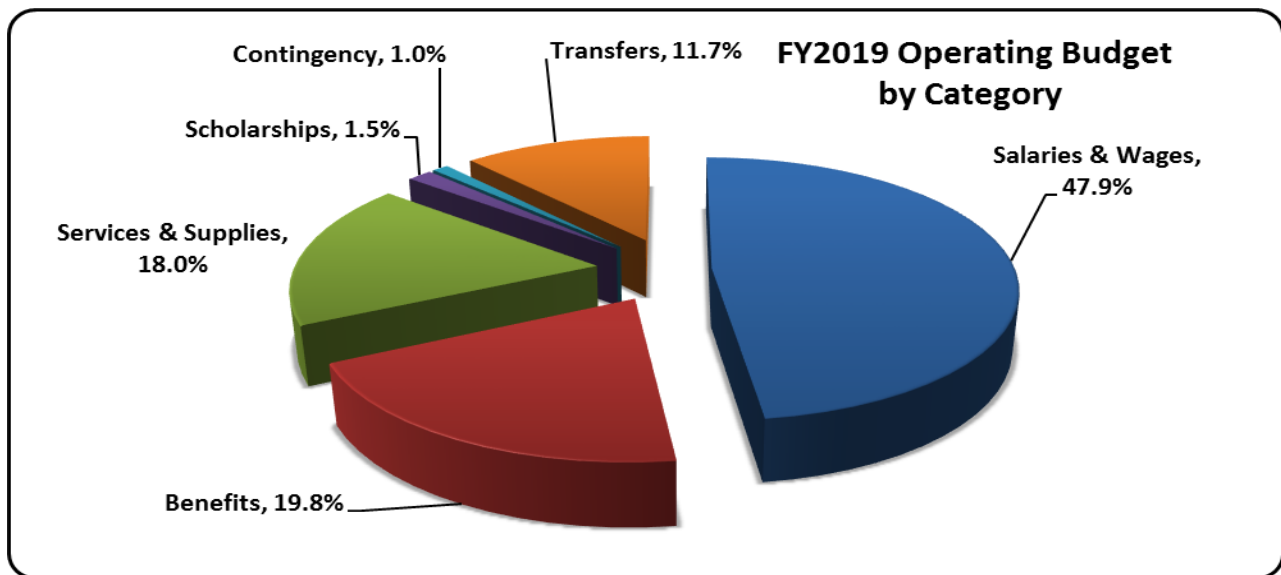
**FY2019 Services & Supplies by Category**



Tuition and Fee Scholarships – The FY2019 budget is \$1.5 million which includes an adjustment for approved tuition rates. This scholarship budget provides for Board of Trustees, Honors, divisional, athletic, and other scholarships.

Child Care Scholarships – The FY2019 budget is \$447 thousand which includes an adjustment for fee increase by various child care providers.

Contingency – The proposed Contingency budget for FY2019 is \$1.3 million or 1% of the proposed revenues, as prescribed in the Board of Trustees policy.



### **Transfer Budgets**

Grant Match – The FY2019 budget is \$1 million. This is a \$50 thousand reduction from the FY2018 budget. This is based on requirements of current grant awards and anticipated grant awards.

Capital Equipment - The FY2019 budget is \$1.1 million, the same as FY2018.

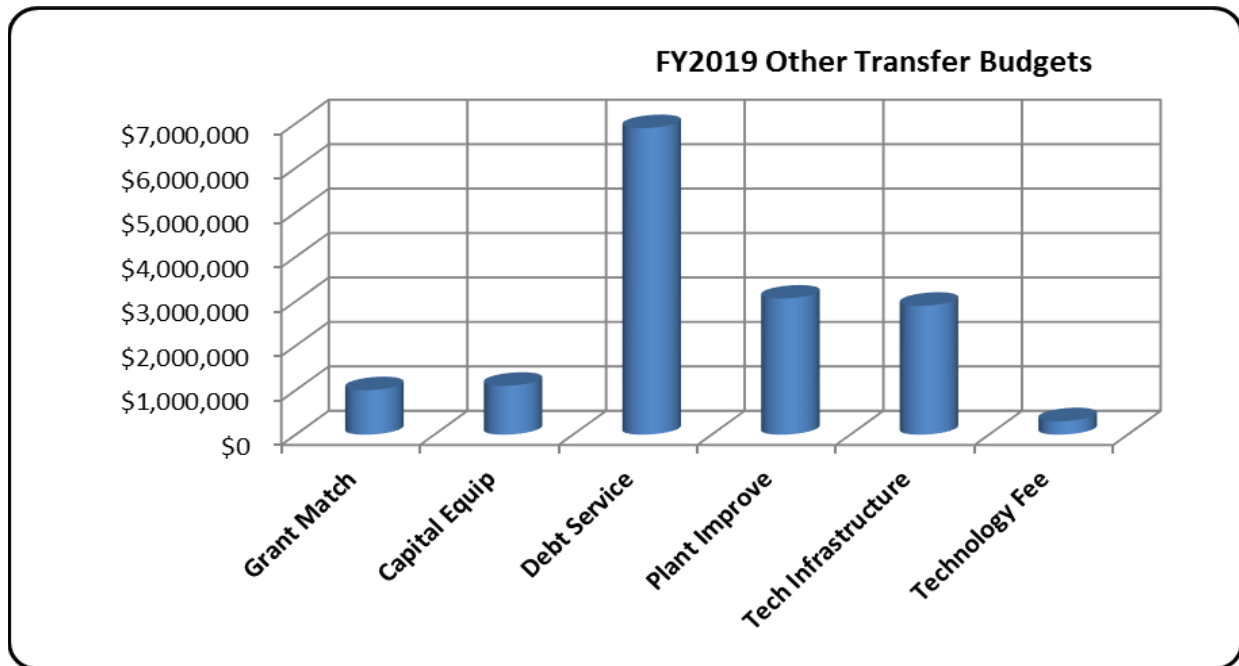
Debt Service – \$6.9 million is budgeted for principal and interest payments on debt, based upon the College's current debt service obligations.

Plant Improvement – The FY2019 budget is proposed at \$3.1 million. This is the same as the FY2018 budget. The College currently owns and maintains approximately 1.8 million square feet of space.

Technology Infrastructure – The FY2019 budget is proposed at \$2.9 million. This is the same as the FY2018 budget.

Technology Fee – The 2019 Budget is proposed at \$303 thousand, an increase from FY2018 of \$9 thousand, reflecting anticipated levels of enrollment.

Other Transfers – Other Transfers have not been budgeted for the FY2019 budget, a decrease of \$150 thousand.



### **Tuition Rates**

The College's proposed in-district tuition rate of \$105 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, 2018.

### **LCC In-District Tuition Increase History with FY2019 Approved Increase:**

Fiscal Year	LCC \$ Increase	LCC In-District Tuition	LCC % Increase	State Average Increase	State Average In-District Tuition	State Average % 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%
2019	\$2	\$105	1.9%	\$2	\$113	1.9%

**LANSING COMMUNITY COLLEGE**  
**Operating and Capital Budgets**  
**Proposed Budget Fiscal Year 2019**

	<b>Total Adopted FY2017 Budget</b>	
<b><u>Revenues</u></b>		
State Appropriations	\$33,651,000	
Property Taxes	\$42,671,000	
Tuition & Fees	\$50,553,500	
Other Revenues	\$3,080,000	
<b>Total Revenues</b>		<b>\$129,955,500</b>
<b><u>Operating Budgets</u></b>		
Salaries & Wages	\$62,287,100	
Employee Benefits	\$25,790,500	
<b>Total Salaries &amp; Benefits</b>		<b>\$88,077,600</b>
Services & Supplies		<b>\$23,345,400</b>
<b>Total Operating Budgets</b>		<b>\$111,423,000</b>
General Institutional Scholarships	\$1,524,000	
Child Care Scholarships	\$447,000	
<b><u>Total Student Financial Support Expense</u></b>		<b>\$1,971,000</b>
<b><u>Transfers</u></b>		
Grant Match	\$1,000,000	
Capital Equipment	\$1,100,000	
Debt Service, all Issues	\$6,897,000	
Physical Plant Improvement	\$3,062,000	
Technology Infrastructure	\$2,900,000	
Technology Fee	\$303,000	
<b>Total Transfers</b>		<b>\$15,262,000</b>
Contingency		<b>\$1,299,500</b>
<b>Total Expenses/Transfers/Contingency</b>		<b>\$129,955,500</b>
<b>Total Change in Unrestricted Net Assets</b>		<b>\$0</b>
<b>Unrestricted General Fund - Beginning of Year</b>		<b>\$21,515,759</b>
<b>Unrestricted General Fund - End of Year</b>		<b>\$21,515,759</b>

# LANSING COMMUNITY COLLEGE

## General Fund

### Operating Revenues, Expenses and Transfers: Proposed Budget Fiscal Year 2019 Comparison of Fiscal Years 2016 Actual, 2017 Actual & 2018 Adopted Budget to 2019 Proposed Budget

	FY2016 Actual	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	\$ Change	% Change
<b><u>Revenues</u></b>						
State Appropriations	\$ 31,545,505	\$ 32,464,347	\$ 32,410,000	\$ 33,651,000	\$ 1,241,000	3.8%
Property Taxes (less est for uncoll)	\$ 39,207,101	\$ 39,910,486	\$ 40,709,000	\$ 42,671,000	\$ 1,962,000	4.8%
Tuition and Fees (less est for uncoll)	\$ 46,840,847	\$ 47,626,000	\$ 50,106,000	\$ 50,553,500	\$ 447,500	0.9%
Other Revenues	\$ 4,017,039	\$ 3,518,184	\$ 2,950,000	\$ 3,080,000	\$ 130,000	4.4%
<b>Total Revenues</b>	<b>\$121,610,492</b>	<b>\$123,519,017</b>	<b>\$126,175,000</b>	<b>\$129,955,500</b>	<b>\$ 3,780,500</b>	<b>3.0%</b>
<b><u>Operating Budgets</u></b>						
Salaries and Wages	\$ 55,330,430	\$ 55,215,007	\$ 60,115,000	\$ 62,287,100	\$ 2,172,100	3.6%
Employee Benefits	\$ 24,053,176	\$ 22,429,919	\$ 25,606,000	\$ 25,790,500	\$ 184,500	0.7%
<b>Total Salaries + Benefits</b>	<b>\$ 79,383,606</b>	<b>\$ 77,644,926</b>	<b>\$ 85,721,000</b>	<b>\$ 88,077,600</b>	<b>\$ 2,356,600</b>	<b>2.7%</b>
Services and Supplies	\$ 21,306,928	\$ 20,733,899	\$ 21,956,000	\$ 23,345,400	\$ 1,389,400	6.3%
<b>Total Operating Expense</b>	<b>\$100,690,534</b>	<b>\$ 98,378,825</b>	<b>\$107,677,000</b>	<b>\$111,423,000</b>	<b>\$ 3,746,000</b>	<b>3.5%</b>
Tuition and Fees Scholarships	\$ 1,279,776	\$ 1,423,000	\$ 1,495,000	\$ 1,524,000	\$ 29,000	1.9%
Child Care Scholarships	\$ 235,825	\$ 284,867	\$ 289,000	\$ 447,000	\$ 158,000	54.7%
<b>Total Student Financial Support Expense</b>	<b>\$ 1,515,601</b>	<b>\$ 1,707,867</b>	<b>\$ 1,784,000</b>	<b>\$ 1,971,000</b>	<b>\$ 187,000</b>	<b>10.5%</b>
<b>Total Expenses</b>	<b>\$102,206,135</b>	<b>\$100,086,692</b>	<b>\$109,461,000</b>	<b>\$113,394,000</b>	<b>\$ 3,933,000</b>	<b>3.6%</b>
<b><u>Transfers</u></b>						
Grant Match	\$ 991,539	\$ 977,343	\$ 1,050,000	\$ 1,000,000	\$ (50,000)	-4.8%
Capital Equipment	\$ 1,000,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ -	0.0%
Debt Service	\$ 8,581,000	\$ 8,908,000	\$ 6,896,000	\$ 6,897,000	\$ 1,000	0.0%
Physical Plant Improvement	\$ 3,262,000	\$ 6,062,000	\$ 3,062,000	\$ 3,062,000	\$ -	0.0%
Technology Infrastructure	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ -	0.0%
Technology Fee	\$ 321,333	\$ 292,109	\$ 294,000	\$ 303,000	\$ 9,000	3.1%
Other Transfers	\$ 1,156,735	\$ 1,552,306	\$ 150,000	\$ -	\$ (150,000)	-100.0%
<b>Total Transfers</b>	<b>\$ 18,212,607</b>	<b>\$ 21,791,758</b>	<b>\$ 15,452,000</b>	<b>\$ 15,262,000</b>	<b>\$ (190,000)</b>	<b>-1.2%</b>
<b>Contingency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,262,000</b>	<b>\$ 1,299,500</b>	<b>\$ 37,500</b>	<b>3.0%</b>
<b>Total Revenues</b>	<b>\$ 121,610,492</b>	<b>\$ 123,519,017</b>	<b>\$ 126,175,000</b>	<b>\$ 129,955,500</b>	<b>\$ 3,780,500</b>	<b>3.0%</b>
<b>Total Expenses, Transfers and Contingency</b>	<b>\$ 120,418,742</b>	<b>\$ 121,878,450</b>	<b>\$ 126,175,000</b>	<b>\$ 129,955,500</b>	<b>\$ 3,780,500</b>	<b>3.0%</b>
<b>Net Change in Unrestricted Fund Balance</b>	<b>\$ 1,191,750</b>	<b>\$ 1,640,567</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b><u>Change in Fund Balance Before Board Approved Transfers and Designations</u></b>						
Board of Trustee Approved Transfers	\$ -	\$ -	\$ -	\$ -		
<b>Net Change in Unrestricted Fund Balance</b>	<b>\$ 1,191,750</b>	<b>\$ 1,640,567</b>	<b>\$ -</b>	<b>\$ -</b>		
Unrestricted General Fund Balance Beginning of Period	\$ 18,683,442	\$ 19,875,192	\$ 19,875,192	\$ 21,515,759		
<b>Unrestricted General Fund Balance End of Period</b>	<b>\$ 19,875,192</b>	<b>\$ 21,515,759</b>	<b>\$ 19,875,192</b>	<b>\$ 21,515,759</b>		



# **LANSING COMMUNITY COLLEGE**

## **General Fund**

### **Operating Expenses: Proposed Budget Fiscal Year 2019**

### **Comparison of Fiscal Years 2016 Actual, 2017 Actual & 2018 Adopted Budget to 2019 Proposed Budget**

	FY2016	FY2017	FY2018	FY2019		
	Actual **	Actual **	Adopted Budget *	Proposed	\$ Change	% Change
<b><u>Operating Budgets - Divisions</u></b>						
Academic Affairs	\$ 4,256,594	\$ 2,583,275	\$ 3,926,900	\$ 3,750,200	\$ (176,700)	-4.5%
Administrative Services	\$ 11,863,872	\$ 12,349,803	\$ 12,485,800	\$ 13,118,600	\$ 632,800	5.1%
Advancement and External Affairs	\$ 3,048,011	\$ 2,765,258	\$ 3,476,900	\$ 3,526,400	\$ 49,500	1.4%
Arts and Sciences	\$ 26,264,302	\$ 24,901,857	\$ 26,320,100	\$ 27,048,400	\$ 728,300	2.8%
Board of Trustees	\$ 250,322	\$ 261,228	\$ 282,500	\$ 306,000	\$ 23,500	8.3%
Community Education and Workforce Development	\$ 3,442,322	\$ 3,491,582	\$ 3,810,600	\$ 4,238,500	\$ 427,900	11.2%
Executive Office	\$ 3,219,871	\$ 3,081,817	\$ 3,252,600	\$ 3,345,200	\$ 92,600	2.8%
Financial Services	\$ 5,229,636	\$ 5,292,149	\$ 5,637,400	\$ 5,882,000	\$ 244,600	4.3%
Health and Human Services	\$ 10,789,777	\$ 10,307,036	\$ 11,179,200	\$ 10,635,100	\$ (544,100)	-4.9%
Human Resources	\$ 1,722,275	\$ 1,746,461	\$ 1,979,800	\$ 2,080,100	\$ 100,300	5.1%
Information Technology Services	\$ 9,956,757	\$ 9,788,459	\$ 10,525,800	\$ 10,849,800	\$ 324,000	3.1%
Student Affairs	\$ 11,194,749	\$ 7,623,666	\$ 8,124,400	\$ 8,299,900	\$ 175,500	2.2%
Student Success	\$ -	\$ 4,431,734	\$ 5,646,800	\$ 7,230,000	\$ 1,583,200	28.0%
Technical Careers	\$ 9,452,046	\$ 9,754,500	\$ 11,028,200	\$ 11,112,800	\$ 84,600	0.8%
<b>Total all Divisions</b>	<b>\$100,690,534</b>	<b>\$ 98,378,825</b>	<b>\$107,677,000</b>	<b>\$111,423,000</b>	<b>\$ 3,746,000</b>	<b>3.5%</b>
<b><u>Operating Budgets - Account</u></b>						
Full-Time Administrator	\$ 13,793,202	\$ 14,849,388	\$ 8,718,400	\$ 9,097,400	\$ 379,000	4.3%
Full-Time Professional Technical ***	\$ -	\$ -	\$ 8,752,300	\$ 9,051,400	\$ 299,100	3.4%
Part-Time Professional Technical	\$ 859,770	\$ 779,228	\$ 730,000	\$ 729,900	\$ (100)	0.0%
Full-Time Faculty	\$ 14,518,251	\$ 14,604,135	\$ 15,906,700	\$ 16,137,400	\$ 230,700	1.5%
Part-Time Faculty	\$ 13,942,827	\$ 12,852,733	\$ 13,575,500	\$ 14,348,400	\$ 772,900	5.7%
Full-Time Support	\$ 8,575,699	\$ 8,605,781	\$ 8,479,500	\$ 8,852,500	\$ 373,000	4.4%
Part-Time Support	\$ 2,101,012	\$ 2,167,325	\$ 2,154,000	\$ 2,194,700	\$ 40,700	1.9%
Student	\$ 1,539,669	\$ 1,356,417	\$ 1,798,600	\$ 1,875,400	\$ 76,800	4.3%
<b>Total Salaries and Wages</b>	<b>\$ 55,330,430</b>	<b>\$ 55,215,007</b>	<b>\$ 60,115,000</b>	<b>\$ 62,287,100</b>	<b>\$ 2,172,100</b>	<b>3.6%</b>
<b>Employee Benefits</b>	<b>\$ 24,053,176</b>	<b>\$ 22,429,919</b>	<b>\$ 25,606,000</b>	<b>\$ 25,790,500</b>	<b>\$ 184,500</b>	<b>0.7%</b>
Institutional Expenses	\$ 2,021,498	\$ 2,018,260	\$ 2,436,200	\$ 2,280,300	\$ (155,900)	-6.4%
Utilities	\$ 3,516,049	\$ 3,598,514	\$ 3,463,200	\$ 3,615,000	\$ 151,800	4.4%
Professional Services	\$ 1,593,100	\$ 1,658,296	\$ 1,273,200	\$ 1,331,900	\$ 58,700	4.6%
Purchased Services	\$ 3,941,794	\$ 3,517,064	\$ 3,878,000	\$ 4,187,000	\$ 309,000	8.0%
Rental Expense	\$ 853,261	\$ 847,410	\$ 1,011,700	\$ 1,348,000	\$ 336,300	33.2%
Repair and Maintenance	\$ 1,671,033	\$ 1,570,831	\$ 1,616,000	\$ 1,879,400	\$ 263,400	16.3%
Supplies and Non-Capital Equipment	\$ 6,594,500	\$ 6,368,760	\$ 7,006,300	\$ 7,275,700	\$ 269,400	3.8%
Travel, Training and Conferences	\$ 1,115,693	\$ 1,154,764	\$ 1,271,400	\$ 1,428,100	\$ 156,700	12.3%
<b>Total Services and Supplies</b>	<b>\$ 21,306,928</b>	<b>\$ 20,733,899</b>	<b>\$ 21,956,000</b>	<b>\$ 23,345,400</b>	<b>\$ 1,389,400</b>	<b>6.3%</b>
<b>Total Division Operating Expenses</b>	<b>\$100,690,534</b>	<b>\$ 98,378,825</b>	<b>\$107,677,000</b>	<b>\$111,423,000</b>	<b>\$ 3,746,000</b>	<b>3.5%</b>
* Restated to conform with FY2019 Presentation						
** Fiscal Years as originally reported, not restated for organization changes						
***New reporting category for FY2019						

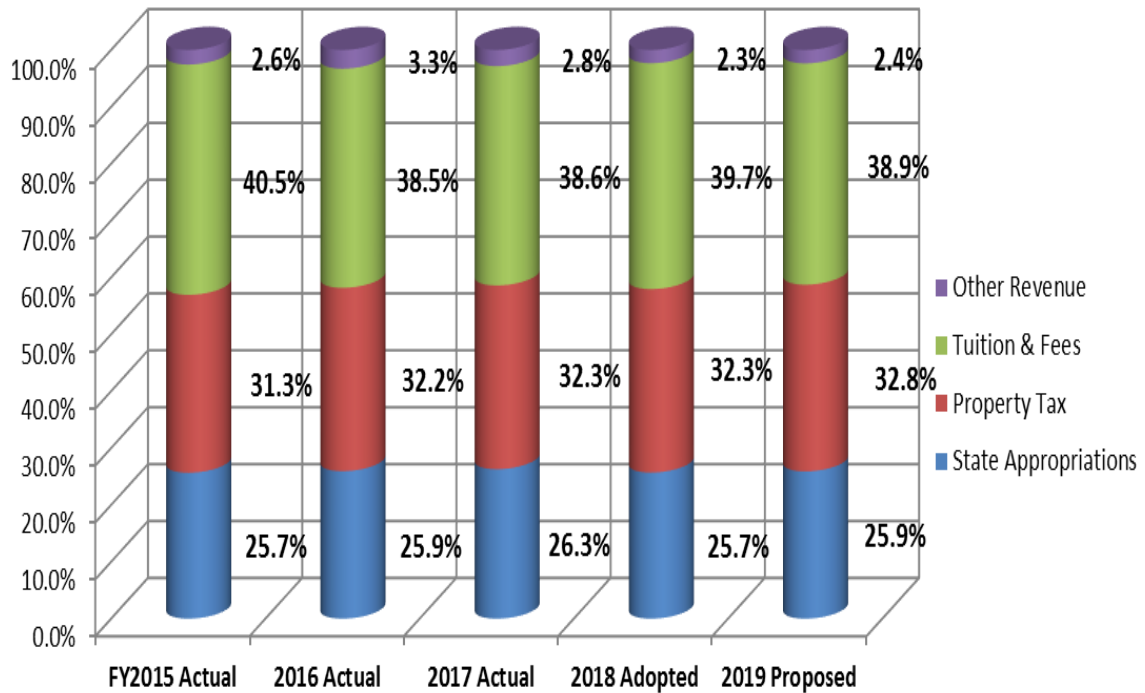
## Summary Table of Budgeted Full-time Positions FY2016 – FY2019

Division	Job Classification	FY16 Adopted**	FY17 Adopted**	FY18 Adopted*	Change	FY19 Proposed
Academic Affairs	Administrative	19.00	13.00	7.00	1.00	8.00
	Professional Technical***	0.00	0.00	11.00	0.00	11.00
	Faculty	11.25	12.76	7.13	(4.50)	2.63
	Support	9.00	4.00	6.00	1.00	7.00
<b>Academic Affairs Total</b>		<b>39.25</b>	<b>29.76</b>	<b>31.13</b>	<b>(2.50)</b>	<b>28.63</b>
Administrative Services	Administrative	6.30	7.30	7.30	0.20	7.50
	Professional Technical***	0.00	0.00	2.00	0.00	2.00
	Support	32.00	34.30	31.70	3.50	35.20
<b>Administrative Services Total</b>		<b>38.30</b>	<b>41.60</b>	<b>41.00</b>	<b>3.70</b>	<b>44.70</b>
Advancement and External Affairs	Administrative	12.75	12.75	5.00	0.00	5.00
	Professional Technical***	0.00	0.00	7.75	0.00	7.75
	Support	8.00	8.00	10.00	2.00	12.00
<b>Advancement and External Affairs Total</b>		<b>20.75</b>	<b>20.75</b>	<b>22.75</b>	<b>2.00</b>	<b>24.75</b>
Arts and Sciences	Administrative	10.00	11.00	5.00	2.00	7.00
	Professional Technical***	0.00	0.00	6.00	1.00	7.00
	Faculty	114.00	111.99	115.12	3.75	118.87
	Support	11.00	11.00	13.00	0.00	13.00
<b>Arts and Sciences Total</b>		<b>135.00</b>	<b>133.99</b>	<b>139.12</b>	<b>6.75</b>	<b>145.87</b>
Board of Trustees	Administrative	1.00	1.00	1.00	0.00	1.00
<b>Board of Trustees Total</b>		<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>
Community Education and Workforce Development	Administrative	14.00	14.00	4.00	0.00	4.00
	Professional Technical***	0.00	0.00	12.00	(1.00)	11.00
	Support	8.00	8.00	9.88	0.12	10.00
<b>CEWD Total</b>		<b>22.00</b>	<b>22.00</b>	<b>25.88</b>	<b>(0.88)</b>	<b>25.00</b>
Executive Offices	Administrative	9.00	10.00	7.00	0.00	7.00
	Professional Technical***	0.00	0.00	2.00	0.00	2.00
	Support	4.00	5.00	5.00	1.00	6.00
<b>Executive Offices Total</b>		<b>13.00</b>	<b>15.00</b>	<b>14.00</b>	<b>1.00</b>	<b>15.00</b>
Financial Services	Administrative	22.00	22.00	10.00	1.00	11.00
	Professional Technical***	0.00	0.00	18.00	1.00	19.00
	Support	29.00	31.00	25.00	2.00	27.00
<b>Financial Services Total</b>		<b>51.00</b>	<b>53.00</b>	<b>53.00</b>	<b>4.00</b>	<b>57.00</b>
Health and Human Services	Administrative	20.37	20.00	10.00	(1.00)	9.00
	Professional Technical***	0.00	0.00	11.00	0.00	11.00
	Faculty	28.19	28.44	30.00	1.00	31.00
	Support	9.00	10.00	10.00	1.00	11.00
<b>Health and Human Services Total</b>		<b>57.56</b>	<b>58.44</b>	<b>61.00</b>	<b>1.00</b>	<b>62.00</b>
Human Resources	Administrative	7.00	7.00	4.00	0.00	4.00
	Professional Technical***	0.00	0.00	4.00	1.00	5.00
	Faculty	0.00	0.00	0.25	0.00	0.25
	Support	6.00	6.00	6.00	1.00	7.00
<b>Human Resources Total</b>		<b>13.00</b>	<b>13.00</b>	<b>14.25</b>	<b>2.00</b>	<b>16.25</b>
Information Technology Services	Administrative	26.00	26.00	10.75	0.00	10.75
	Professional Technical***	0.00	0.00	23.00	2.15	25.15
	Support	24.00	27.00	19.17	0.50	19.67
<b>Information Technology Services Total</b>		<b>50.00</b>	<b>53.00</b>	<b>52.92</b>	<b>2.65</b>	<b>55.57</b>
Student Affairs	Administrative	25.63	21.60	12.60	0.00	12.60
	Professional Technical***	0.00	0.00	9.00	0.00	9.00
	Faculty	25.56	18.56	18.00	(0.25)	17.75
	Support	37.00	31.50	33.50	1.50	35.00
<b>Student Affairs Total</b>		<b>88.19</b>	<b>71.66</b>	<b>73.10</b>	<b>1.25</b>	<b>74.35</b>
Student Success	Administrative	0.00	31.40	5.00	(1.00)	4.00
	Professional Technical***	0.00	0.00	23.50	0.50	24.00
	Faculty	0.00	12.25	10.50	1.00	11.50
	Support	0.00	9.75	8.50	(2.00)	6.50
<b>Student Success Total</b>		<b>0.00</b>	<b>53.40</b>	<b>47.50</b>	<b>(1.50)</b>	<b>46.00</b>
Technical Careers	Administrative	8.00	13.00	7.00	0.00	7.00
	Professional Technical***	0.00	0.00	7.00	0.00	7.00
	Faculty	38.00	38.75	40.55	(0.65)	39.90
	Support	11.00	11.00	11.00	0.00	11.00
<b>Technical Careers Total</b>		<b>57.00</b>	<b>62.75</b>	<b>65.55</b>	<b>(0.65)</b>	<b>64.90</b>
<b>Grand Total</b>		<b>586.05</b>	<b>629.35</b>	<b>642.20</b>	<b>18.82</b>	<b>661.02</b>
<b>Administrative</b>		<b>181.05</b>	<b>210.05</b>	<b>95.65</b>	<b>2.20</b>	<b>97.85</b>
<b>Professional Technical***</b>		<b>0.00</b>	<b>0.00</b>	<b>136.25</b>	<b>4.65</b>	<b>140.90</b>
<b>Faculty</b>		<b>217.00</b>	<b>222.75</b>	<b>221.55</b>	<b>0.35</b>	<b>221.90</b>
<b>Support</b>		<b>188.00</b>	<b>196.55</b>	<b>188.75</b>	<b>11.62</b>	<b>200.37</b>
<b>Total</b>		<b>586.05</b>	<b>629.35</b>	<b>642.20</b>	<b>18.82</b>	<b>661.02</b>
* Restated to conform with FY2019 Presentation						
** Fiscal Years as originally reported; not restated for organizational or subsequent Job Classification changes						
*** New Job Classification reporting category for FY2019						

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

Account Description	FY2015 Actual	2016 Actual	2017 Actual	2018 Adopted	2019 Proposed
State Appropriations	\$31,112,791	\$31,545,505	\$32,464,347	\$32,410,000	\$33,651,000
Property Tax	\$37,930,260	\$39,207,101	\$39,910,486	\$40,709,000	\$42,671,000
Tuition & Fees	\$49,110,493	\$46,840,847	\$47,626,000	\$50,106,000	\$50,553,500
Other Revenue	\$3,108,187	\$4,017,039	\$3,518,184	\$2,950,000	\$3,080,000
<b>Total Revenues</b>	<b>\$121,261,731</b>	<b>\$121,610,492</b>	<b>\$123,519,017</b>	<b>\$126,175,000</b>	<b>\$129,955,500</b>

### Source and Percent of Total Revenue



**LANSING COMMUNITY COLLEGE**  
**General Fund: Operating Revenues, Expenses and Transfers**  
**Five-Year History**

	<b>FY2015 Actual</b>	<b>FY2016 Actual</b>	<b>FY2017 Actual</b>	<b>FY2018 Adopted Budget</b>	<b>FY2019 Proposed</b>
<b><u>Revenues</u></b>					
State Appropriations	\$ 31,112,791	\$ 31,545,505	\$ 32,464,347	\$ 32,410,000	\$ 33,651,000
Property Taxes (less est for uncoll)	\$ 37,390,260	\$ 39,207,101	\$ 39,910,486	\$ 40,709,000	\$ 42,671,000
Tuition and Fees (less est for uncoll)	\$ 49,110,493	\$ 46,840,847	\$ 47,626,000	\$ 50,106,000	\$ 50,553,500
Other Revenues	\$ 3,108,187	\$ 4,017,039	\$ 3,518,184	\$ 2,950,000	\$ 3,080,000
<b>Total Revenues</b>	<b>\$120,721,731</b>	<b>\$121,610,492</b>	<b>\$123,519,017</b>	<b>\$126,175,000</b>	<b>\$129,955,500</b>
<b><u>Operating Budgets</u></b>					
Salaries and Wages	\$ 56,608,955	\$ 55,330,430	\$ 55,215,007	\$ 60,115,000	\$ 62,287,100
Employee Benefits	\$ 25,030,919	\$ 24,053,176	\$ 22,429,919	\$ 25,606,000	\$ 25,790,500
<b>Total Salaries + Benefits</b>	<b>\$ 81,639,874</b>	<b>\$ 79,383,606</b>	<b>\$ 77,644,926</b>	<b>\$ 85,721,000</b>	<b>\$ 88,077,600</b>
Services and Supplies	\$ 19,473,806	\$ 21,306,928	\$ 20,733,899	\$ 21,956,000	\$ 23,345,400
<b>Total Operating Expense</b>	<b>\$101,113,680</b>	<b>\$100,690,534</b>	<b>\$ 98,378,825</b>	<b>\$107,677,000</b>	<b>\$111,423,000</b>
Tuition and Fees Scholarships	\$ 1,217,547	\$ 1,279,776	\$ 1,423,000	\$ 1,495,000	\$ 1,524,000
Child Care Scholarships	\$ 198,828	\$ 235,825	\$ 284,867	\$ 289,000	\$ 447,000
<b>Total Student Financial Support Expense</b>	<b>\$ 1,416,375</b>	<b>\$ 1,515,601</b>	<b>\$ 1,707,867</b>	<b>\$ 1,784,000</b>	<b>\$ 1,971,000</b>
<b>Total Expenses</b>	<b>\$102,530,055</b>	<b>\$102,206,135</b>	<b>\$100,086,692</b>	<b>\$109,461,000</b>	<b>\$113,394,000</b>
<b><u>Transfers</u></b>					
Grant Match	\$ 1,245,174	\$ 991,539	\$ 977,343	\$ 1,050,000	\$ 1,000,000
Capital Equipment	\$ 1,135,000	\$ 1,000,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
Debt Service	\$ 8,756,000	\$ 8,581,000	\$ 8,908,000	\$ 6,896,000	\$ 6,897,000
Physical Plant Improvement	\$ 3,162,000	\$ 3,262,000	\$ 6,062,000	\$ 3,062,000	\$ 3,062,000
Technology Infrastructure	\$ 3,100,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000
Technology Fee	\$ 350,898	\$ 321,333	\$ 292,109	\$ 294,000	\$ 303,000
Other Transfers	\$ -	\$ 1,156,735	\$ 1,552,306	\$ 150,000	\$ -
<b>Total Transfers</b>	<b>\$ 18,249,072</b>	<b>\$ 18,212,607</b>	<b>\$ 21,791,758</b>	<b>\$ 15,452,000</b>	<b>\$ 15,262,000</b>
<b>Contingency</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,262,000</b>	<b>\$ 1,299,500</b>
<b>Total Revenues</b>	<b>\$ 120,721,731</b>	<b>\$ 121,610,492</b>	<b>\$ 123,519,017</b>	<b>\$ 126,175,000</b>	<b>\$ 129,955,500</b>
<b>Total Expenses, Transfers and Contingency</b>	<b>\$ 120,779,127</b>	<b>\$ 120,418,742</b>	<b>\$ 121,878,450</b>	<b>\$ 126,175,000</b>	<b>\$ 129,955,500</b>
<b>Net Change in Unrestricted Fund Balance</b>	<b>\$ (57,396)</b>	<b>\$ 1,191,750</b>	<b>\$ 1,640,567</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Change in Fund Balance Before Board Approved Transfers and Designations</u></b>					
Board of Trustee Approved Transfers	\$ (8,200,000)	\$ -	\$ -	\$ -	\$ -
<b>Net Change in Unrestricted Fund Balance</b>	<b>\$ (8,257,396)</b>	<b>\$ 1,191,750</b>	<b>\$ 1,640,567</b>	<b>\$ -</b>	<b>\$ -</b>
Unrestricted General Fund Balance Beginning of Period	\$ 26,940,838	\$ 18,683,442	\$ 19,875,192	\$ 19,875,192	\$ 21,515,759
<b>Unrestricted General Fund Balance End of Period</b>	<b>\$ 18,683,442</b>	<b>\$ 19,875,192</b>	<b>\$ 21,515,759</b>	<b>\$ 19,875,192</b>	<b>\$ 21,515,759</b>

**LANSGING COMMUNITY COLLEGE**  
**General Fund Operating Expenses**  
**Five-Year History**

	FY2015	FY2016	FY2017	FY2018	FY2019
	Actual **	Actual **	Actual **	Adopted Budget *	Proposed
<b><u>Operating Budgets - Divisions</u></b>					
Academic Affairs	\$ 3,672,748	\$ 4,256,594	\$ 2,583,275	\$ 3,926,900	\$ 3,750,200
Administrative Services	\$ 11,659,781	\$ 11,863,872	\$ 12,349,803	\$ 12,485,800	\$ 13,118,600
Advancement and External Affairs	\$ 2,925,870	\$ 3,048,011	\$ 2,765,258	\$ 3,476,900	\$ 3,526,400
Arts and Sciences	\$ 24,146,432	\$ 26,264,302	\$ 24,901,857	\$ 26,320,100	\$ 27,048,400
Board of Trustees	\$ 205,803	\$ 250,322	\$ 261,228	\$ 282,500	\$ 306,000
Community Education and Workforce Development	\$ 3,191,894	\$ 3,442,322	\$ 3,491,582	\$ 3,810,600	\$ 4,238,500
Executive Office	\$ 2,747,530	\$ 3,219,871	\$ 3,081,817	\$ 3,252,600	\$ 3,345,200
Financial Services	\$ 6,367,925	\$ 5,229,636	\$ 5,292,149	\$ 5,637,400	\$ 5,882,000
Health and Human Services	\$ 11,711,317	\$ 10,789,777	\$ 10,307,036	\$ 11,179,200	\$ 10,635,100
Human Resources	\$ 1,634,872	\$ 1,722,275	\$ 1,746,461	\$ 1,979,800	\$ 2,080,100
Information Technology Services	\$ 9,143,290	\$ 9,956,757	\$ 9,788,459	\$ 10,525,800	\$ 10,849,800
Student Affairs	\$ 14,307,536	\$ 11,194,749	\$ 7,623,666	\$ 8,124,400	\$ 8,299,900
Student Success	\$ -	\$ -	\$ 4,431,734	\$ 5,646,800	\$ 7,230,000
Technical Careers	\$ 9,398,682	\$ 9,452,046	\$ 9,754,500	\$ 11,028,200	\$ 11,112,800
<b>Total all Divisions</b>	<b>\$101,113,680</b>	<b>\$100,690,534</b>	<b>\$ 98,378,825</b>	<b>\$107,677,000</b>	<b>\$111,423,000</b>
<b><u>Operating Budgets - Account</u></b>					
Full-Time Administrator	\$ 12,908,088	\$ 13,793,202	\$ 14,849,388	\$ 8,718,400	\$ 9,097,400
Full-Time Professional Technical ***	\$ -	\$ -	\$ -	\$ 8,752,300	\$ 9,051,400
Part-Time Professional Technical	\$ 867,816	\$ 859,770	\$ 779,228	\$ 730,000	\$ 729,900
Full-Time Faculty	\$ 15,128,804	\$ 14,518,251	\$ 14,604,135	\$ 15,906,700	\$ 16,137,400
Part-Time Faculty	\$ 15,250,650	\$ 13,942,827	\$ 12,852,733	\$ 13,575,500	\$ 14,348,400
Full-Time Support	\$ 8,577,704	\$ 8,575,699	\$ 8,605,781	\$ 8,479,500	\$ 8,852,500
Part-Time Support	\$ 2,209,979	\$ 2,101,012	\$ 2,167,325	\$ 2,154,000	\$ 2,194,700
Student	\$ 1,665,914	\$ 1,539,669	\$ 1,356,417	\$ 1,798,600	\$ 1,875,400
<b>Total Salaries and Wages</b>	<b>\$ 56,608,955</b>	<b>\$ 55,330,430</b>	<b>\$ 55,215,007</b>	<b>\$ 60,115,000</b>	<b>\$ 62,287,100</b>
<b>Employee Benefits</b>	<b>\$ 25,030,919</b>	<b>\$ 24,053,176</b>	<b>\$ 22,429,919</b>	<b>\$ 25,606,000</b>	<b>\$ 25,790,500</b>
Institutional Expenses	\$ 2,096,155	\$ 2,021,498	\$ 2,018,260	\$ 2,436,200	\$ 2,280,300
Utilities	\$ 3,521,516	\$ 3,516,049	\$ 3,598,514	\$ 3,463,200	\$ 3,615,000
Professional Services	\$ 1,301,554	\$ 1,593,100	\$ 1,658,296	\$ 1,273,200	\$ 1,331,900
Purchased Services	\$ 3,683,124	\$ 3,941,794	\$ 3,517,064	\$ 3,878,000	\$ 4,187,000
Rental Expense	\$ 790,959	\$ 853,261	\$ 847,410	\$ 1,011,700	\$ 1,348,000
Repair and Maintenance	\$ 1,474,884	\$ 1,671,033	\$ 1,570,831	\$ 1,616,000	\$ 1,879,400
Supplies and Non-Capital Equipment	\$ 5,437,063	\$ 6,594,500	\$ 6,368,760	\$ 7,006,300	\$ 7,275,700
Travel, Training and Conferences	\$ 1,168,551	\$ 1,115,693	\$ 1,154,764	\$ 1,271,400	\$ 1,428,100
<b>Total Services and Supplies</b>	<b>\$ 19,473,806</b>	<b>\$ 21,306,928</b>	<b>\$ 20,733,899</b>	<b>\$ 21,956,000</b>	<b>\$ 23,345,400</b>
<b>Total Division Operating Expenses</b>	<b>\$101,113,680</b>	<b>\$100,690,534</b>	<b>\$ 98,378,825</b>	<b>\$107,677,000</b>	<b>\$111,423,000</b>

\* Restated to conform with FY2019 Presentation

\*\* Fiscal Years as originally reported, not restated for organization changes

\*\*\*New reporting category for FY2019

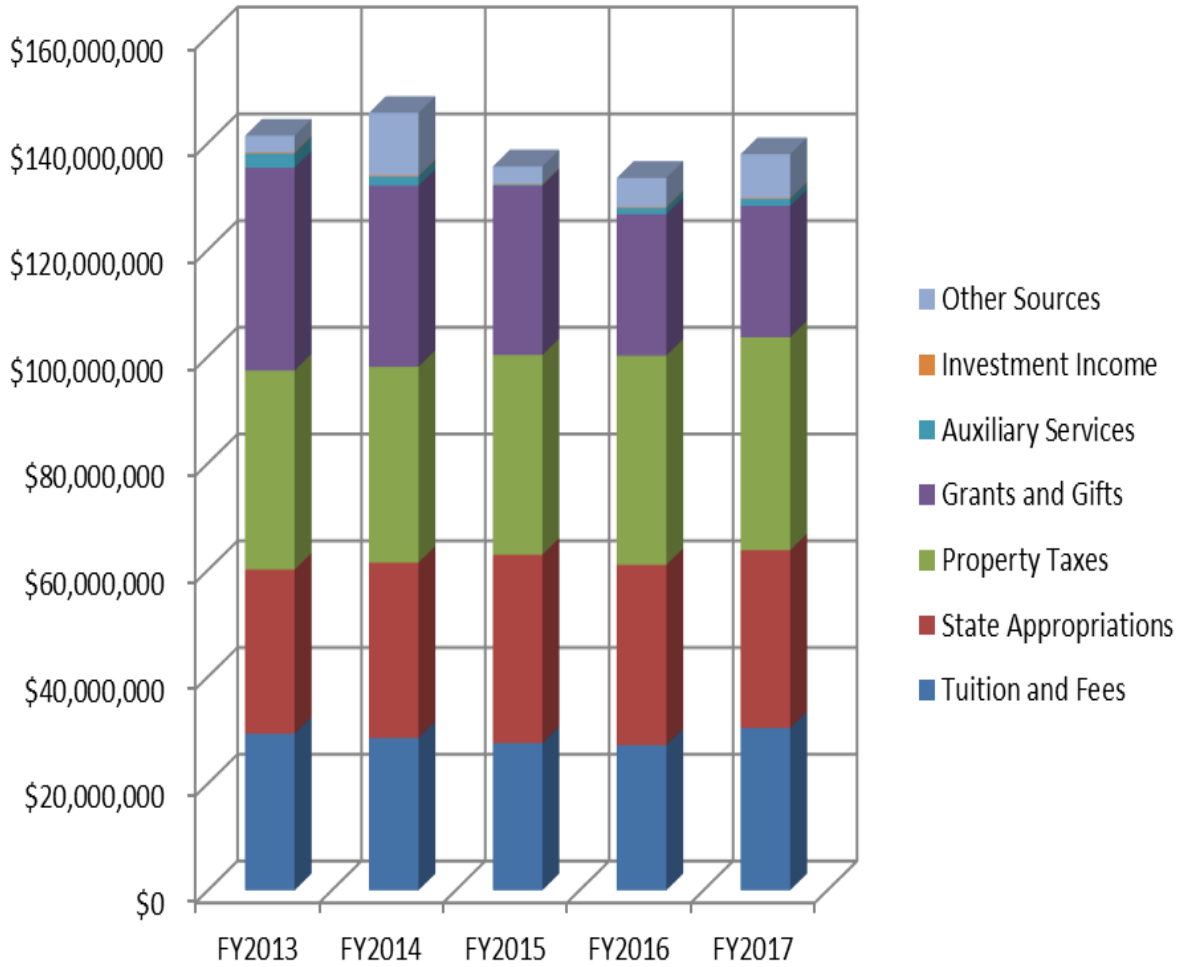
## LANSING COMMUNITY COLLEGE REVENUE AND EXPENSE BY ACTIVITY – ALL FUNDS FIVE-YEAR HISTORY

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.

	FY2013	FY2014	FY2015	FY2016	FY2017
<b>Revenue:</b>					
Tuition and Fees*	\$29,363,192	\$28,554,591	\$27,560,464	\$27,216,821	\$30,405,367
State Appropriations	\$30,724,364	\$32,824,815	\$35,344,860	\$33,761,131	\$33,317,442
Property Taxes	\$37,294,876	\$36,718,154	\$37,390,260	\$39,207,101	\$39,910,486
Grants and Gifts	\$38,016,087	\$33,935,196	\$31,726,143	\$26,477,439	\$24,616,132
Auxiliary Services	\$2,641,831	\$1,701,672	\$158,246	\$1,200,923	\$1,280,918
Investment Income	\$224,494	\$177,187	\$139,381	\$156,030	\$178,180
Other Sources	\$3,135,003	\$11,753,573	\$3,317,276	\$5,475,403	\$8,218,830
<b>Total Revenue</b>	<b>\$141,399,847</b>	<b>\$145,665,188</b>	<b>\$135,636,630</b>	<b>\$133,494,848</b>	<b>\$137,927,355</b>
<b>Expenses:</b>					
Instruction	\$48,827,540	\$47,495,410	\$45,539,843	\$46,417,111	\$41,302,810
Instructional Support	\$22,020,718	\$21,917,746	\$23,323,896	\$24,916,745	\$20,565,407
<b>Total Instruction</b>	<b>\$70,848,258</b>	<b>\$69,413,156</b>	<b>\$68,863,739</b>	<b>\$71,333,856</b>	<b>\$61,868,217</b>
Public Services	\$2,196,929	\$2,162,257	\$2,015,322	\$2,157,956	\$2,703,721
Student Services	\$20,559,075	\$17,926,228	\$15,240,309	\$13,207,329	\$13,235,947
Institutional Admin	\$12,999,388	\$16,630,435	\$18,125,659	\$20,538,563	\$21,387,848
Facilities Management	\$20,658,004	\$20,660,650	\$21,885,841	\$24,463,429	\$18,673,161
Depreciation	\$8,726,093	\$6,978,813	\$7,262,393	\$7,834,826	\$8,643,040
<b>Total Expenses</b>	<b>\$135,987,747</b>	<b>\$133,771,539</b>	<b>\$133,393,263</b>	<b>\$139,535,959</b>	<b>\$126,511,934</b>
Expenses and Transfers	\$5,412,100	\$11,893,649	\$2,243,367	(\$6,041,111)	\$11,415,421
Beginning Net Position	\$143,464,243	\$148,876,343	\$160,769,992	\$42,733,246	\$36,692,135
Implement GASB 68	\$0	\$0	(\$120,280,113)	\$0	\$0
<b>Ending Net Position</b>	<b>\$148,876,343</b>	<b>\$160,769,992</b>	<b>\$42,733,246</b>	<b>\$36,692,135</b>	<b>\$48,107,556</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

	FY2013	FY2014	FY2015	FY2016	FY2017
<b>Revenue:</b>					
Federal Grants/Contracts	\$33,573,434	\$29,889,468	\$26,699,753	\$22,260,990	\$19,332,618
State Grants/Contracts	\$1,414,642	\$1,202,810	\$1,709,876	\$1,626,922	\$2,039,964
Local Grants/Contracts	\$1,650,126	\$1,315,061	\$1,838,972	\$988,027	\$1,687,971
Other Sources	\$1,299,224	\$3,146,600	\$5,087,713	\$8,181,394	\$7,026,692
<b>Total Revenue</b>	<b>\$37,937,426</b>	<b>\$35,553,939</b>	<b>\$35,336,314</b>	<b>\$33,057,333</b>	<b>\$30,087,245</b>
<b>Expenses:</b>					
Instruction	\$939,403	\$1,403,123	\$1,338,000	\$2,062,645	\$583,058
Instructional Support	\$2,594,148	\$3,467,268	\$4,110,619	\$3,428,052	\$2,808,116
<b>Total Instruction</b>	<b>\$3,533,551</b>	<b>\$4,870,391</b>	<b>\$5,448,619</b>	<b>\$5,490,697</b>	<b>\$3,391,174</b>
Public Services	\$640,766	\$425,903	\$367,907	\$554,835	\$2,006,548
Student Services	\$33,540,712	\$28,697,143	\$25,279,792	\$21,335,817	\$18,968,427
Institutional Administration	\$1,426,992	\$2,792,899	\$4,840,488	\$6,256,051	\$6,323,494
Facilities Management	\$258,357	\$128,219	\$84,688	\$74,512	\$24,646
<b>Total Expenses</b>	<b>\$39,400,378</b>	<b>\$36,914,555</b>	<b>\$36,021,494</b>	<b>\$33,711,912</b>	<b>\$30,714,289</b>
<b>Transfers In (Out):</b>					
Other	\$1,291,334	\$1,360,616	\$838,120	\$501,639	\$634,962
<b>Total Transfers</b>	<b>\$1,291,334</b>	<b>\$1,360,616</b>	<b>\$838,120</b>	<b>\$501,639</b>	<b>\$634,962</b>
<b>Total Expenses and Transfers</b>	<b>\$38,109,044</b>	<b>\$35,553,939</b>	<b>\$35,183,374</b>	<b>\$33,210,273</b>	<b>\$30,079,327</b>
<b>Change in Net Position</b>	<b>(\$171,618)</b>	<b>\$0</b>	<b>\$152,940</b>	<b>(\$152,940)</b>	<b>\$7,918</b>
<b>Beginning Net Position</b>	<b>\$171,618</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,940</b>	<b>\$0</b>
<b>Ending Net Position</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,940</b>	<b>\$0</b>	<b>\$7,918</b>



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

	FY2013	FY2014	FY2015	FY2016	FY2017
<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	\$0	\$0	(\$17,732)	(\$9,160)	(\$4,871)
<b>Total Revenue</b>	\$0	\$0	(\$17,732)	(\$9,160)	(\$4,871)
<b>Expenses:</b>					
Instruction	\$0	\$0	\$0	\$0	\$15,211
Instructional Support	\$0	\$69,738	\$108,368	\$543,415	\$18,665
<b>Total Instruction</b>	\$0	\$69,738	\$108,368	\$543,415	\$33,876
Public Services	\$0	\$887	\$171,277	\$0	\$0
Student Services	\$0	\$0	\$753,188	\$0	\$0
Institutional Administration	\$0	\$53,321	\$250,448	\$25,840	(\$3,376)
Facilities Management	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	\$0	\$123,946	\$1,283,281	\$569,255	\$30,500
<b>Transfers In (Out):</b>					
Other	\$1,200,000	\$387,083	\$1,152,224	\$835,300	\$101,042
<b>Total Transfers</b>	\$1,200,000	\$387,083	\$1,152,224	\$835,300	\$101,042
<b>Total Expenses and Transfers</b>	(\$1,200,000)	(\$263,137)	\$131,057	(\$266,045)	(\$70,542)
<b>Change in Net Position</b>	\$1,200,000	\$263,137	(\$148,789)	\$256,885	\$65,671
<b>Beginning Net Position</b>	\$0	\$1,200,000	\$1,463,137	\$1,314,348	\$1,571,233
<b>Ending Net Position</b>	\$1,200,000	\$1,463,137	\$1,314,348	\$1,571,233	\$1,636,904

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

	FY2013	FY2014	FY2015	FY2016	FY2017
<b>Revenue:</b>					
Tuition and Fees*	\$0	\$0	\$1,648,387	\$1,539,921	\$1,412,337
Sales & Services Educational activities	\$356,612	\$383,689	\$122,398	\$54	\$0
Sales & Services Auxiliary activities	\$2,641,831	\$1,701,672	\$157,892	\$1,200,923	\$1,280,918
Other sources	\$2,659	\$2,400	\$666,009	\$542,721	\$429,808
<b>Total Revenue</b>	<b>\$3,001,102</b>	<b>\$2,087,761</b>	<b>\$2,594,686</b>	<b>\$3,283,619</b>	<b>\$3,123,063</b>
<b>Expenses:</b>					
Instruction	\$52,049	\$88,523	\$79,055	\$19,570	\$14,555
Instructional Support	\$377,146	\$138,481	\$177,796	\$35,734	\$67,601
<b>Total Instruction</b>	<b>\$429,195</b>	<b>\$227,004</b>	<b>\$256,851</b>	<b>\$55,304</b>	<b>\$82,156</b>
Public Services	\$30,264	\$25,276	\$13,033	\$14,618	\$19,661
Student Services	\$22,673	\$27,415	\$10,509	\$3,685	\$3,674
Institutional Administration	\$505,610	\$953,662	\$466,225	\$1,406,340	\$1,585,644
Facilities Management	\$2,630,229	\$2,361,934	\$871,753	\$1,050,307	\$872,262
<b>Total Expenses</b>	<b>\$3,617,971</b>	<b>\$3,595,291</b>	<b>\$1,618,371</b>	<b>\$2,530,254</b>	<b>\$2,563,397</b>
<b>Transfers In (Out):</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>(\$1,573,049)</b>	<b>\$282,606</b>	<b>(\$271,215)</b>
<b>Total Expenses &amp; Transfers</b>	<b>\$3,217,971</b>	<b>\$3,195,291</b>	<b>\$3,191,420</b>	<b>\$2,247,648</b>	<b>\$2,834,612</b>
<b>Change in Net Position</b>	<b>(\$216,869)</b>	<b>(\$1,107,530)</b>	<b>(\$596,734)</b>	<b>\$1,035,971</b>	<b>\$288,451</b>
<b>Beginning 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>
<b>Ending Net Position</b>	<b>\$4,138,079</b>	<b>\$3,030,549</b>	<b>\$2,433,815</b>	<b>\$3,469,786</b>	<b>\$3,758,237</b>

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

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

	FY2013	FY2014	FY2015	FY2016	FY2017
<b>Revenue:</b>					
Other Sources	\$36,785	\$109,352	\$171,335	\$109,944	\$475,829
Capital gifts	\$1,300,000	\$50,000	\$0	\$0	\$4,400,299
State Appropriation	\$0	\$9,366,050	\$0	\$0	\$0
Investment return and other gains	\$70,353	\$57,300	\$12,000	\$16,689	\$1,630
Interest on Capital Assets (related debt)	(\$3,664,322)	(\$3,627,164)	(\$3,396,095)	(\$3,579,459)	(\$2,747,508)
<b>Total Revenue</b>	<b>(\$2,257,184)</b>	<b>\$5,955,538</b>	<b>(\$3,212,760)</b>	<b>(\$3,452,826)</b>	<b>\$2,130,250</b>
<b>Expenses:</b>					
Instruction	\$0	\$0	\$0	\$0	\$0
Instructional Support	\$194,811	\$91,842	\$208,515	\$3,711	\$1,127,569
<b>Total Instruction</b>	<b>\$194,811</b>	<b>\$91,842</b>	<b>\$208,515</b>	<b>\$3,711</b>	<b>\$1,127,569</b>
Public Services	\$0	\$0	\$0	\$0	\$0
Student Services	\$10,500	\$0	\$0	\$0	\$0
Institutional Administration	\$1,142,859	\$2,220,844	\$837,521	\$0	\$728
Facilities Management	\$3,805,076	\$3,042,083	\$4,996,687	\$6,449,830	\$3,399,383
Depreciation	\$8,726,093	\$6,978,813	\$7,262,393	\$7,834,826	\$8,643,040
<b>Total Expenses</b>	<b>\$13,879,339</b>	<b>\$12,333,582</b>	<b>\$13,305,116</b>	<b>\$14,288,367</b>	<b>\$13,170,720</b>
Transfers In (Out):	\$17,546,131	\$15,764,000	\$26,094,109	\$16,593,062	\$21,326,968
<b>Total Expenses &amp; Transfers</b>	<b>(\$3,666,792)</b>	<b>(\$3,430,418)</b>	<b>(\$12,788,993)</b>	<b>(\$2,304,695)</b>	<b>(\$8,156,248)</b>
<b>Change in Net Position</b>	<b>\$1,409,608</b>	<b>\$9,385,956</b>	<b>\$9,576,233</b>	<b>(\$1,148,131)</b>	<b>\$10,286,498</b>
<b>Beginning 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>
<b>Ending Net Position</b>	<b>\$119,949,510</b>	<b>\$129,335,466</b>	<b>\$138,911,699</b>	<b>\$137,763,568</b>	<b>\$148,050,066</b>

**LANSING COMMUNITY COLLEGE  
FY2019 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>
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	2/14/2019	600,000
16-21 TRIO Student Support Services	Funding to provide intense career and academic support services for a carefully selected group of 200 low-income, first-generation college students to ensure they reach their academic and career goals in spite of the barriers they face.	US Dept of Education	9/1/2016	8/31/2021	1,498,646
17-18 Motorcycle Safety Training	Funding to provide motorcycle safety training.	State of Michigan	10/1/2017	9/30/2018	58,200
17-18 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	10/1/2017	9/30/2018	230,000
18-18 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	1/1/2018	12/31/2018	226,860
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
17-22 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

**LANSING COMMUNITY COLLEGE  
FY2019 ACTIVE GRANT FUNDS DETAIL**

Grant Name	Description	Originating Funds Agency	Start Date	End Date	Actual Award \$
17-23 KCP-MICUP Student Transition Enrichment Program	Letter of Support for Central Michigan University's grant application.	State of Michigan Talent	10/01/2017	09/30/2023	0
18-19 NSF Whatcom C5-CAE2Y Accreditation	Mentoring via Whatcom Community College to assist with achieving an NSA 'Center of Academic Excellence' designation. Up to \$5,000 may be reimbursed for travel expenses incurred.	NSF	2/20/2018	5/1/2019	5,000
18-19 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	10/1/2018	9/30/2019	233,000
18-19 The Early College State Foundation	State funding to support the Early College.	MI Dept of Education	8/23/2018	8/22/2019	1,392,300
18-19 HSDCI State Foundation	State funding to support high school recapture program.	MI Dept. of Education	9/1/2018	8/31/2019	387,800
18-19 Perkins Local Annual (Pending)	Funding to provide vocational-technical education programs and services to youth and adults.	MI Dept of Education	7/1/2018	6/30/2019	857,374
18-19 Perkins Local Leadership (Pending)	Funding to support time and travel for the College's official Perkins representative.	MI Dept of Education	7/1/2018	6/30/2019	9,200
18-19 MCSS METC Veterans Bridge Project	Funding to support bridging skills gained from earning Military Occupational Specialty (MOS) 68D (Operating Room Specialist) for accelerated degree completion.	Michigan Community College Association	10/1/2018	3/15/2019	3,500
18-19 Motorcycle Safety Training (Pending)	Funding to provide motorcycle safety training.	State of Michigan	10/1/2018	9/30/2019	60,600

# **STATISTICS AND APPENDIX**

## LANSING COMMUNITY COLLEGE SELECTED STATISTICS

With over 2,400 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

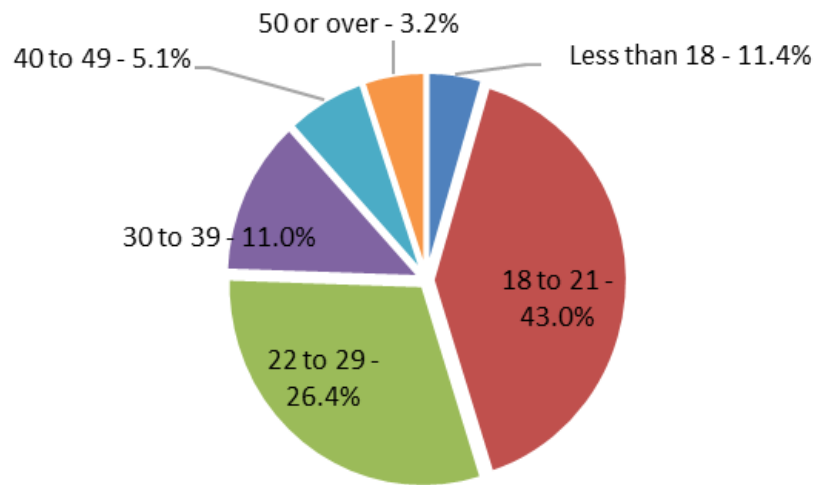
2017				
Employer	Product/Service	Rank	# of Employees	% of Total District Population
State of Michigan	Government	1	15,000	3.78%
Michigan State University	Higher Education	2	12,516	3.15%
Sparrow Health System	Health Care	3	9,500	2.39%
General Motors Corporation	Automotive	4	5,153	1.46%
Ingham Regional 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%

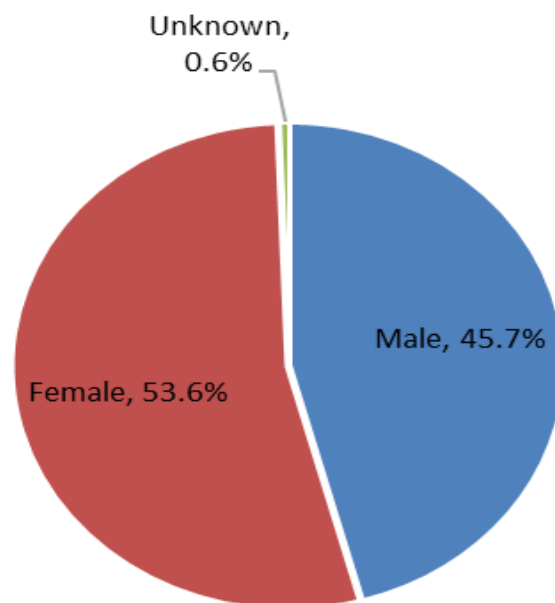
Source: Ingham County Economic Development Office

## LCC Student Enrollment Distribution

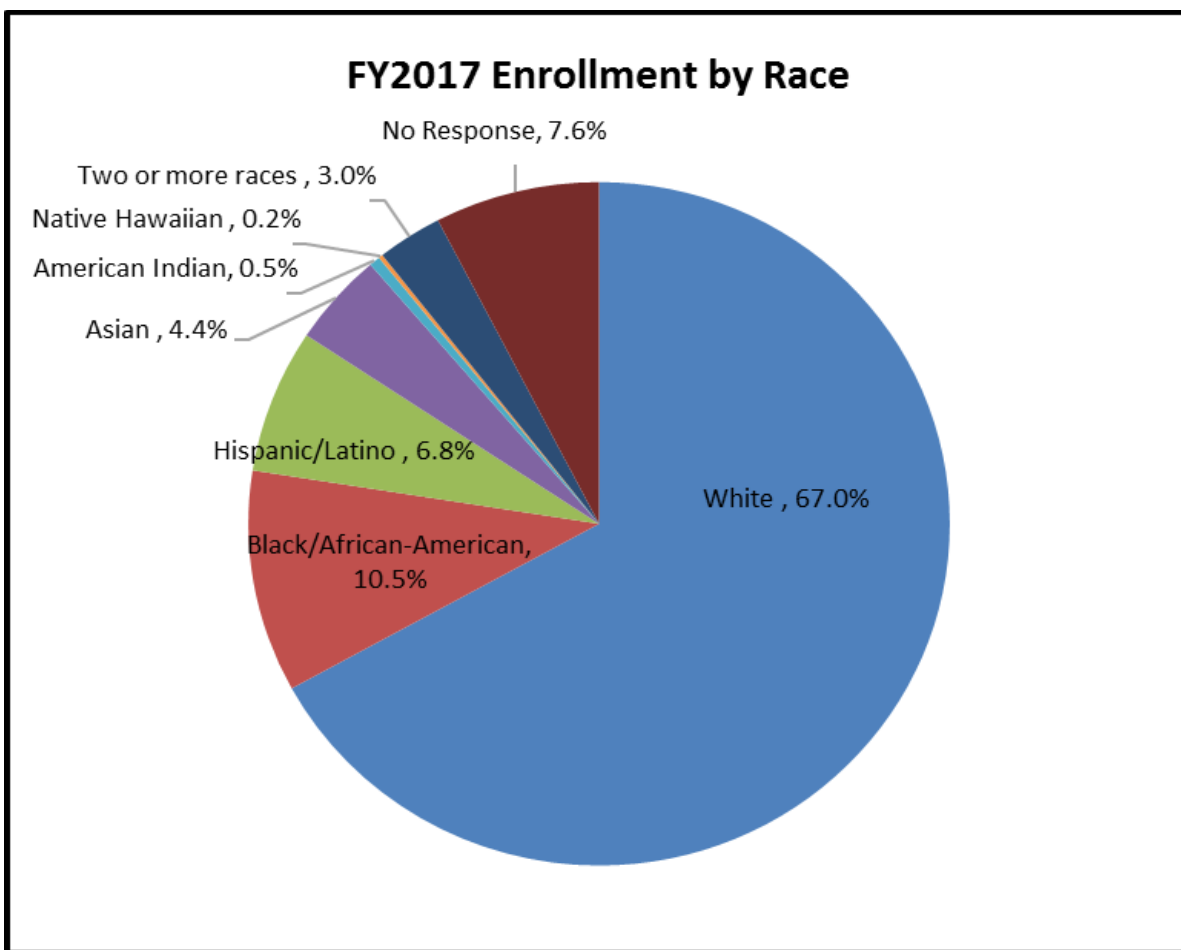
### Fall 2017 Enrollment by Age



### FY2017 Enrollment by Gender







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.

## Michigan Per Capita Income

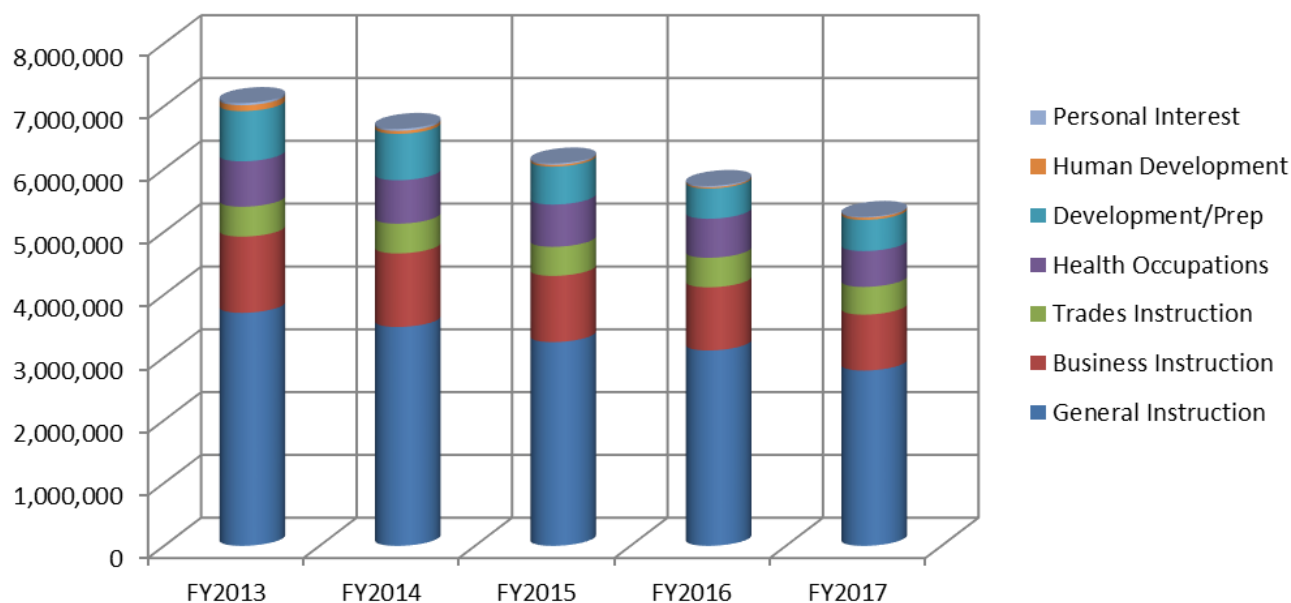
Michigan's population in 2017 was estimated at 9.962 million with a per capita personal income in 2017 of \$45,255, compare to a US per capita income for the same year of \$50,392, Michigan's median household income is \$5,125 lower than the US median income. It ranked 30<sup>th</sup> in the nation in Per Capita Personal Income.

Source: US Department of Commerce, Bureau of Economic Analysis

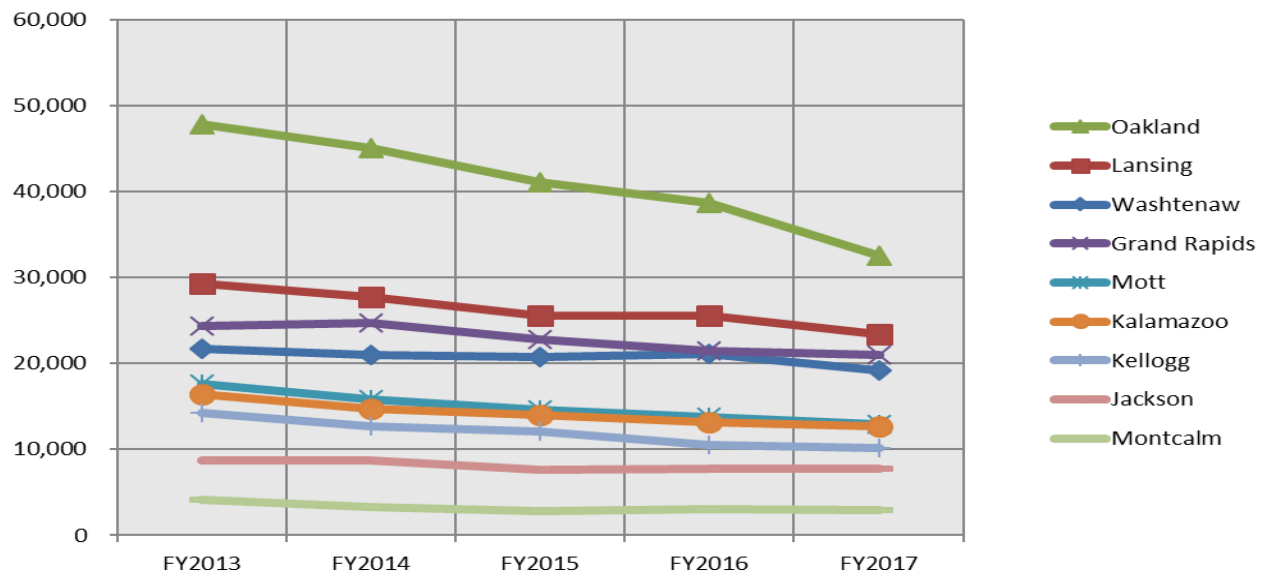
## Student Contact Hours by ACS Category FY2013-FY2017

ACS	FY2013	FY2014	FY2015	FY2016	FY2017
<b>General Instruction</b>	3,710,635	3,485,504	3,245,049	3,111,436	2,791,895
<b>Business Instruction</b>	1,213,571	1,170,990	1,053,612	1,005,454	889,779
<b>Trades Instruction</b>	475,734	473,548	463,411	469,965	441,893
<b>Health Occupations</b>	723,324	691,845	672,211	621,847	571,060
<b>Development/Prep</b>	799,316	738,579	604,870	481,104	496,208
<b>Human Development</b>	93,392	47,488	27,696	21,136	36,304
<b>Personal Interest</b>	34,853	30,909	21,657	19,661	11,032
<b>TOTAL</b>	<b>7,050,825</b>	<b>6,638,863</b>	<b>6,088,506</b>	<b>5,730,603</b>	<b>5,238,171</b>

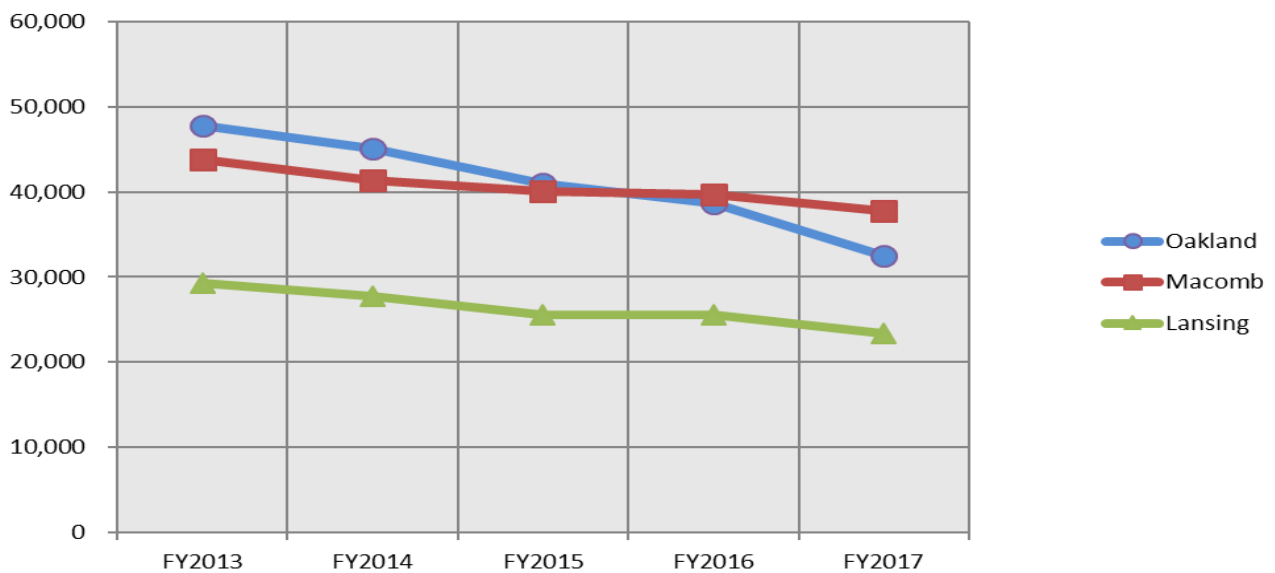
Total Student Contact Hours  
by ACS Category



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



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



**TUITION SURVEY**  
**Tuition Comparison with**  
**Michigan Community Colleges**

	2017-18 Rates				2018-19 Proposed Rates					
COLLEGE	In-Dist	In-State	Out-State	FY2019	In-Dist	In-Dist	In-State	In-State	Out-State	Out-State
				Source		% Change		% Change		% Change
Alpena Community College	\$129	\$203	\$203	Website	\$133	3.10%	\$210	3.45%	\$210	3.45%
Bay de Noc Community College	119	205	250	Website	124	4.20%	213	3.90%	260	4.00%
Delta College	107	183	344	Website	112	4.67%	192	4.92%	361	4.94%
Glen Oaks Community College	112	175	209	Website	119	6.25%	182	4.00%	216	3.35%
Gogebic Community College	115	164	194	Website	120	4.35%	170	3.66%	199	2.58%
Grand Rapids Comm College	113	242	359	Website	114	0.88%	244	0.83%	362	0.84%
Henry Ford College	96	166	240	Website	99	3.13%	172	3.61%	250	4.17%
Jackson College	145	217	290	Website	153	5.38%	229	5.62%	306	5.38%
Kalamazoo Valley Comm College	105	181	243	Website	107	1.90%	184	1.66%	247	1.65%
Kellogg Community College	108	175	250	Website	108	0.00%	175	0.00%	250	0.00%
Kirtland Community College	113	166	250	Website	118	4.42%	175	5.42%	250	0.00%
Lake Michigan College	102	158	158	Website	104	1.96%	166	5.08%	166	5.06%
<b>Lansing Community College</b>	<b>103</b>	<b>206</b>	<b>309</b>	<b>Board Approved</b>	<b>105</b>	<b>1.94%</b>	<b>210</b>	<b>1.94%</b>	<b>315</b>	<b>1.94%</b>
Macomb Community College	100	186	237	Website	100	0.00%	186	0.00%	237	0.00%
Mid Michigan Comm College	120	202	202	Website	125	4.17%	210	3.96%	210	3.96%
Monroe County Comm College	107	190	212	Website	110	2.80%	195	2.63%	217	2.60%
Montcalm Community College	108	204	333	Website	108	0.00%	204	0.00%	333	0.00%
Mott Community College	138	183	261	Website	140	1.80%	183	0.00%	261	0.00%
Muskegon Community College	105	196	274	Website	114	8.10%	212	8.16%	297	8.39%
North Central Michigan College	113	188	244	Website	119	5.31%	198	5.32%	257	5.33%
Northwestern Michigan College	104	216	281	Website	106	2.17%	220	1.99%	287	2.21%
Oakland Community College	90	174	174	Website	92	2.22%	178	2.30%	178	2.30%
Schoolcraft College	108	157	231	Website	115	6.48%	166	5.73%	245	6.06%
Southwestern Michigan College	118	154	168	Website	121	2.54%	158	2.60%	172	2.38%
St. Clair County Comm College	117	227	330	Website	122	4.27%	238	4.85%	347	5.15%
Washtenaw Community College	95	158	214	Website	95	0.00%	161	1.90%	220	2.80%
Wayne County Comm College	107	118	149	Phone	109	1.87%	118	0.00%	149	0.00%
West Shore Community College	100	160	220	Website	103	3.00%	165	3.13%	230	4.55%
<b>AVERAGE</b>	<b>\$111</b>	<b>\$184</b>	<b>\$244</b>		<b>\$114</b>	<b>3.17%</b>	<b>\$190</b>	<b>3.11%</b>	<b>\$251</b>	<b>2.98%</b>

## 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.

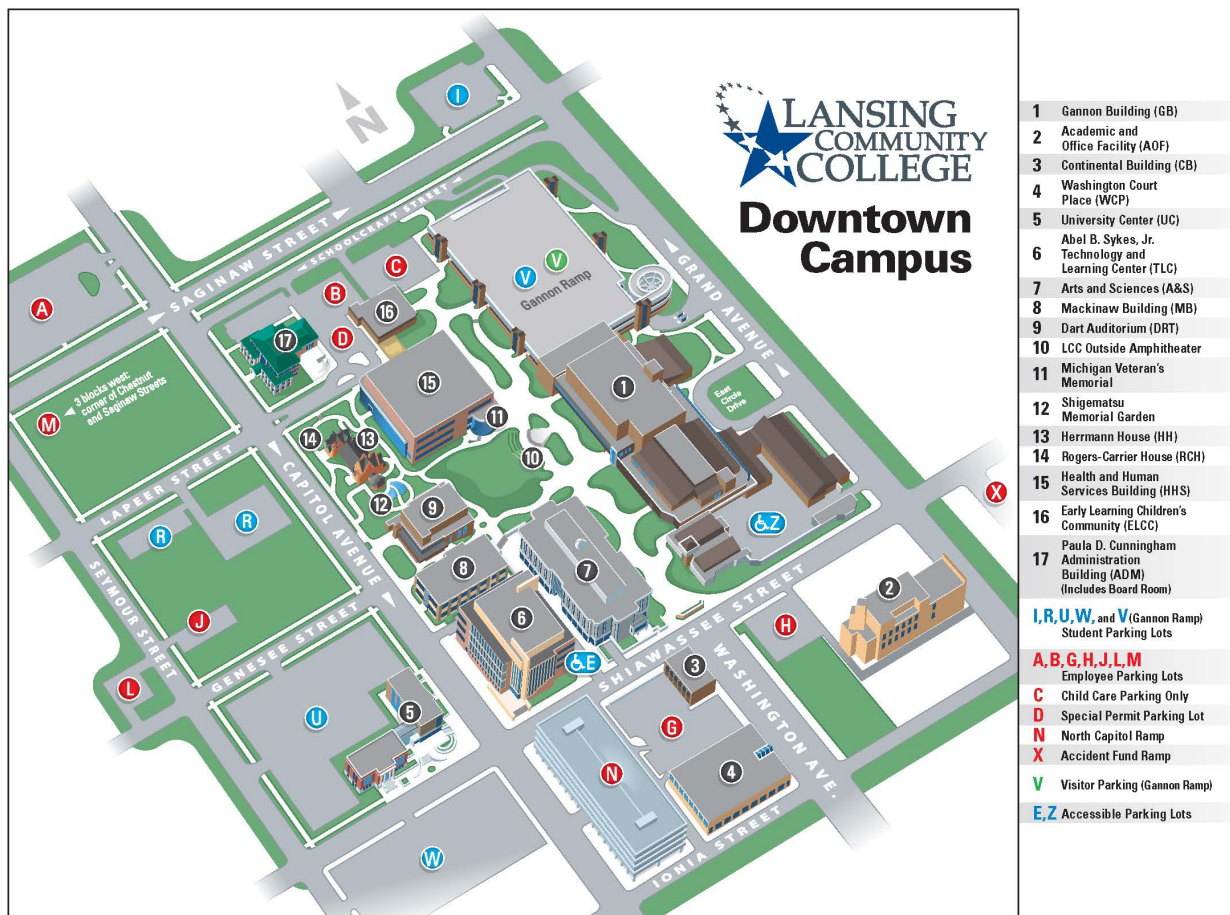
### INSTITUTIONAL ADMINISTRATION

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

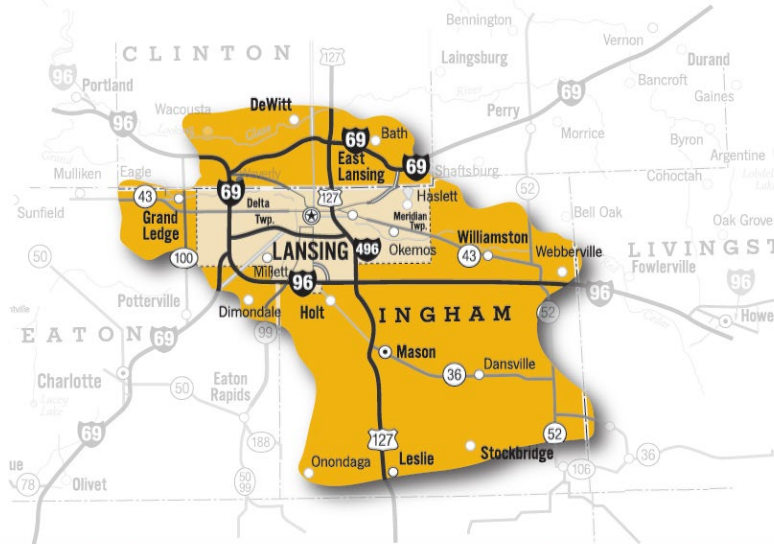




## LCC Resident Districts and Learning Centers



Lansing Community College  
Resident Districts



Resident Districts



LCC Learning Centers

● 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 expenses 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.

**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.

**Integrated Post-Secondary Education Data System (IPEDS)**

A system of twelve interrelated surveys conducted annually by the National Center for Education Statistics within the United States Department of Education.

**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.

**Open Education Resources**

Open educational resources (OER) are teaching, learning, and research resources that are copyright-free (public domain) or have been released under an open license that permits others to reuse, revise, remix, retain, and redistribute them. Examples of OER include open textbooks, videos, images, course modules, lectures, homework assignments, quizzes, lab and classroom activities, games, simulations, and other resources contained in digital media collections from around the world.

**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.

**Professional Technical**

A reporting category indicating an employee who is a member of the Administrative Union, either part-time or full-time, who neither supervises one or less full-time employees nor has budget authority. These criteria are part of the Department of Labor criteria used to determine exempt and no-exempt status. A Professional Technical classification also indicates that a special skill set or advanced training is a job requirement.

## **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.