

Lake Superior State University
Three Year Financial Plan (General Fund)
Fiscal Years 2018, 2019 & 2020

Table of Contents

Preface:	3
Institution's Financial Status:	5
Analysis of Historical Revenue/Enrollment	9
Revenue:	9
Enrollment Trends:	10
Analysis of Historical Expenditures	12
Historical Trends:.....	12
Master Plan:	13
Strategic Plan:	14
Infrastructure & Capital Improvement (Capital Outlay) Plans:	14
Information Technology Upgrades:	15
Debt Service:.....	15
Institutionalization of Title III:	16
Utilities:.....	16
Raises:	18
Benefits - Medical, Dental and Vision:.....	18
Benefits - Time off Programs:.....	20
Benefits Funding - Reserve Accounts:.....	20
Overview of Employee Benefit Plans:.....	21
TIAA-CREF & MPSERS:	22
Insurance:	23
Reserve Funds:.....	23
Program & Course Fees:	25
CFRE, Campaign & Planning Expenses:.....	26
Abatements:	27
Athletics:	29
Decentralized Budgets (CSSM Allocations):.....	29
Online Instruction:	29
General Fund Deficit:.....	29
Food Services Deficit:.....	29
Other Fund Deficits:.....	30
Financial Aid Leveraging:	30
Hanover Research:	31
Revenue Projections	33
Expenditure Projections	35
Financial Plan FY18	36
Other Benchmarking Metrics	41
Pre-CFI Graphical Presentation of Ratios:.....	41
Net Tuition per FTE Student:.....	41
Net Educational Expenses per FTE Student:	42
Appendices	43
 List of Figures:	
Figure 1: Undergraduate Enrollment over Time	10
Figure 2: LSSU Utility Costs over Time.....	16
Figure 3: Actual Natural Gas Cost for LSSU.....	17
Figure 4: U.S. Natural Gas Production Trends	17

Figure 5: LSSU Gas & Oil Costs	17
Figure 6: Actual LSSU Expenditures for Water	18
Figure 7: Actual Monthly KWH Consumption	18
Figure 8: LSSU Retirement Costs over Time	23
Figure 9: Hanover Research: Core Capabilities	31
Figure 10: Traditional Enrollment Funnel	32
Figure 11: Overview of FY18 Budgeting Process	36
Figure 12: Graphical Representation of Financial Ratios	41

List of Tables:

Table 1: The HLC's Composite Financial Index Evaluation Table for Public Institutions	7
Table 2: LSSU's Historical Ratios and CFI	7
Table 3: Operating Gain (Loss) for LSSU	8
Table 4: Tuition Increases over Time	9
Table 5: Actual General Fund Expenditures over Time - Broken by Program Code	12
Table 6: Actual General Fund Salary and Supply Expenditures over Time	13
Table 7: Insurance Policies/Coverages	24
Table 8: LSSU Insurance Reserves (6-30-2016)	24
Table 9: Disbursements from Insurance Reserves	25
Table 10: GF Units Providing Services	27
Table 11: Auxiliary Units Using GF Services	28
Table 12: Abatements Owed by Unit	28
Table 13: Adjusted Abatement Owed by Unit	28
Table 14: LSSU Funds with End-of-Year Deficits	30
Table 15: Tuition Discount Rates	30
Table 16: LSSU Tuition Increases	30
Table 17: Grant in Aid Allocation over Time	31
Table 18: Comparison of Tuition Discount Rates	31
Table 19: Updated FY17 Revenue Projections	33
Table 20: Best Estimate: Revenue	34
Table 21: Worst Case Estimate: Revenue	34
Table 22: Best Case Estimate: Revenue	34
Table 23: Proposed Expenditures by Program (Functional Classification)	37
Table 24: Proposed Expenditures by Salaries/Supplies	37
Table 25: Normalizing Coefficients	41
Table 26: Normalized Ratios (strengths) for LSSU	41
Table 27: Average Annual Growth Rate by Program	42
Table 28: Average Annual Growth Rate per FTE Student - by Program	42

Disclaimer: Budgets are simply a plan; a plan for dealing with both known and anticipated financial issues in an organized manner. A roadmap, of sorts, that helps guide an institution on its journey to carry out its mission. This document is for budget planning purposes. Data presented is believed to be accurate and current. Unless specifically stated, this document presents recommendations, not decisions, which may be adopted in an effort to pursue LSSU's mission and to ensure financial viability for LSSU. The Business Office is dedicated to optimizing resources and to providing financial analysis and recommendations to all facets of the University community as a foundation upon which University decision-makers can make informed strategic financial decisions.

Lake Superior State University

Three Year Financial Plan (General Fund)

Fiscal Years 2018, 2019 & 2020

Preface:

This document is a compilation and review of data related to the financial status and future planning of the University. Where possible, historical information and expected future trends are presented and analyzed to provide a basis for future budgeting and planning.

There are several sections within this document.

- **Preface**
 - Provides an overview, some historical context, and a discussion of the institution's current financial status.
- **Review of Historical Revenue/Enrollment**
 - Provides information on the main funding sources for the General Fund.
 - Provides Fiscal Year (FY) 18 enrollment estimates from the VP for Enrollment & Student Services.
 - Provides thoughts from the Director of Recruitment and Retention on increasing enrollment, increasing yield, and associated topics.
- **Analysis of Historical Expenditures**
 - Reviews expenditures within the context of LSSU's structure, Annual Financial Statements, Operations, Strategic Plans, Benefits, and Reserve Funds.
 - Introduces plans for Abatements, Program and Course Fees, and operational efficiencies.
 - Where appropriate, recommendations are presented.
- **Revenue Projections**
- **Expenditure Projections**
- **Financial Plan Recommendation for FY18**
- **Other Benchmarking Metrics**
 - A presentation of benchmarking tools that LSSU may consider adopting for reporting, budget management, or budget planning.
- **Appendices**

Before delving into all the details of the institution's finances and planning for the future, the administration would like to commend all those that have contributed to the well-being and success of LSSU. As an institution, we have taken many steps to reduce our spending, to use our resources more efficiently, and to ensure future viability. When the institution realized there was a revenue shortfall in FY16, all areas worked together to reduce spending on supplies (CSSM) from about \$12.4M in the previous two years, to just over \$11.6M in FY16. Then, for FY17, the institution cut about \$2M from its General Fund budget. The FY17 fiscal year started with a balanced budget and with no plans to transfer funds from reserves to balance the budget. Our Standard & Poors rating increased slightly, and our auditors shared positive comments due to our attention placed on "living within our means".

Investments were made in the Arts Center, and we have seen a return on our investment via new revenue. Hockey concessions and attendance are up this year. We opened a new building on campus. We have added to our net capital assets and net position. We started a process of quarterly budget reviews, resulting in productive meetings between budget managers and the Business Operations staff. During those meetings, we addressed potential overspending. Corrective action plans will be put in place for units that are significantly overspending. Several various budget reports were distributed to Cabinet members, the Vice Presidents, and budget managers for comment and feedback. This information sharing is one of several action steps being taken to be transparent in all financial matters.

As you read through this document, the following are offered as key points for future dialog.

- What is a reasonable timeline for elimination of the General Fund deficit?
- What is a reasonable tuition discount rate for LSSU?
- What are reasonable amounts of insurance reserves - with and without General Fund deficits?

- How shall the institution account for the growing MSPERS liability?
- What are the fundamental (mission critical) programs and what level of funding is necessary for their viability?
- What are appropriate staffing levels given enrollment profiles?
- What benchmarking tools (key indicators) are desired by administration, external agencies, and the campus community?
- What are the short- and long-term goals for improving the institution's financial ratios?
- Are there cost-effective, external resources that could be utilized that would provide a better understanding of institutional performance and ensure future viability?

Readers will undoubtedly, have many other questions, but as an institution it will be important that discussion is focused and strategic. For the Business Office, a key element of daily operation will be taking the necessary steps to ensure that the institution operates within its revenue for the next three years. Most campus members know that the institution's General Fund deficit is about \$3.3M. The deficit is primarily the result of two significant issues that surfaced in FY16 (the continued drop in enrollment and funding for Considine Hall). An ongoing structural deficit in the three previous years also contributed to this deficit.

LSSU is not unfamiliar with operating under a General Fund deficit. A summary of the last large deficit (FY02 and FY03) is provided below. I (Morrie Walworth - VP for Finance and Operations) have provided this background because of its striking similarity to today's circumstances.

Background (General Fund Deficit):

A General Fund (GF) deficit at Lake Superior State University (LSSU) has existed since about 2002. The deficit resulted from a continued over-commitment of funds over a ten-year time period and was announced to the campus under the leadership of Dr. Youngblood. At the time of the announcement, the deficit was about \$1.2M. Excerpts from the "Management's Discussion and Analysis" section of the 2002 audit (Annual Financial Report) denote:

A two-percent increase in enrollment, although modest, is the continuation of enrollment increases realized for the past two years. However, enrollments have decreased at Lake Superior State University by eleven percent since 1991. The modest enrollment increases of the past two years are but small steps on our path to our ultimate enrollment objectives.

Debt service payments will increase to \$2.4 million during fiscal year 2003. Debt incurred is a result of investing over \$60 million into renovating and expanding our physical facilities over the past 10 years. Our facilities expansion continues in fall 2002 as construction of our Fine and Performing Arts Center begins. We anticipate this facility, expected to be completed in spring 2004, will be a tremendous addition to the Lake Superior State University campus and to the entire Sault Ste Marie community.

The total debt service (bonds and leases) had been about \$1M per year. The large increase in debt service and an enrollment decrease in the following year continued to affect LSSU. The same section of the 2003 audit (Annual Financial Report) denoted:

Fiscal year 2002-2003 was an extremely difficult year for Lake Superior State University. The University President assessed the financial condition of the University and placed new personnel in the [sic] both the Provost and Vice President for Business and Finance positions. Each of these individuals has many years of experience in their respective roles and will bring new direction and resolve to the financial management of the institution.

The University faced a structural deficit of nearly \$1 million dollars at the beginning of the year. Immediate and successful action was taken to reduce University costs in order to eliminate this deficit. Subsequent Executive Orders from the Governor reduced the University's State appropriations by

approximately \$500,000. Consequently, General Fund operations resulted in a deficit of \$450,000 for the fiscal year ended June 30, 2003.

Looking forward to the 2003-2004 fiscal year, the General Fund budget is balanced as a result of reducing an additional \$2 million from the overall University budgets. The existing deficits in the General Fund and other specific accounts will be addressed with a multi-year fiscal strategy, which will focus on balancing expenditures to revenues, and securing amounts within each budget year to address a portion of the deficit.

Since then, the institution had generally made good progress to address the 2002 deficit until recent years - reducing it to about \$334k as recently as FY13. Today the institution is in a similar situation: decreasing enrollment, elimination of the structural deficit, and a commitment of resources for the renovation of South Hall.

During the 2014, 2015, and 2016 Fiscal Years (FY) a structural deficit existed. Funds from a couple of “reserve” funds (healthcare and workers compensation) were used to fill the gap in FY14 and FY15. In FY14, \$700,000 was used to fill the GF gap and in FY15, \$500,000 was used. However, the structural deficit in FY16 was significantly larger than expected and this deficit (along with an unbudgeted commitment to the South Hall Renovation Project) could not be resolved with transfers from reserves which resulted in the General Fund ending FY16 with a \$3.3M deficit.

A plan to address the structural deficit was drafted and presented to the campus in the spring of 2016 and approximately \$2M was subsequently cut from the FY17 budget. The institution entered FY17 with a balanced budget and no structural deficit. This was a tremendous first step. The GF deficit still exists and a part of this plan will address the pay-down of this deficit.

It is interesting to note the similarities between the deficit of FY02 and the deficit of FY16. Both were driven by historical overspending, enrollment decreases, and future commitments beyond the means of the institution. Both were addressed in a similar fashion.

The remainder of this document will provide information on historical revenue and expenditures, project future revenue and expenditures, and suggest plans for maintaining a balanced budget. The focus will be on the General Fund (GF) and FY18, but many topics will include information related to Auxiliary, Plant, and Designated funds. Your thoughts and comments are important as we continue to work toward a common goal of excellence across all areas of the campus and ensure that resources are allocated strategically and appropriately.

Institution's Financial Status:

The financial status of LSSU is assessed yearly by external agencies, such as Standard and Poors and the Higher Learning Commission (HLC). Typically, these agencies use standardized metrics to review performance in at least four major areas: Primary Reserve Ratio, Net Operating Revenue Ratio, Return on Net Assets Ratio, and the Viability Ratio; which are then mathematically combined to generate a Composite Financial Indicator Score. These ratios are used because the data to calculate them is readily available within annual financial statements, they provide quantifiable measures, they are useful for benchmarking, they meet requirements for debt covenants, and they are useful in communicating the financial status of the institution. A brief description of each value is provided in the following text.

Primary Reserve Ratio:

This ratio is a measure to determine if resources are sufficient and flexible enough to support the mission of the institution. In general, it:

- compares expendable net assets to total expenses,
- measures the period that expenses could be covered without generating additional resources,
- indicates if internal cash flow is sufficient to meet short-term cash needs,
- indicates if the institution is able maintain a reasonable level of facilities maintenance,

- indicates if the institution is able to manage unforeseen adverse financial events, and
- indicates if the institution is well-positioned to support strategic initiatives.

It is recommended, by most agencies, that institutions maintain a minimum value = 0.4 (40%) for this ratio. The assumption is that an institution should be able to cover approximately five months of expenses from reserves (~40% of 12 months).

Viability Ratio:

This ratio measures the institution's net assets available through additional borrowing capacity. In general:

- a ratio of 1:1 or greater indicates sufficient expendable net assets to cover debt obligations,
- a decreasing ratio may indicate a weakening financial condition,
- it provides a measure for determining the right balance between financial and programmatic objectives, and
- it measures the availability of expendable net assets to cover long term debt.

It is recommended, by most agencies, that institutions strive for a value of 1.25 to 2.00 for this ratio (higher is better).

Return on Net Assets Ratio:

This ratio helps to determine if asset performance and management support the strategic direction? It is a measure of the change in net assets over the year. In general:

- it determines if the institution is financially better off than last year given its resource allocation decisions and investments,
- an improving ratio indicates future financial flexibility,
- this ratio is better measured over time and reviewed as a trend,
- market performance in a particular year will impact the value, and
- the CFO needs to understand market performance versus performance on resource/budget investments.

It is recommended, by most agencies, that institutions strive for a rate of return in the range of 3% - 4% (higher is better).

Net Operating Revenue Ratio:

This ratio helps to determine if the institution is living within available resources. In general:

- a positive ratio indicates surplus,
- a larger number indicates stronger financial operating performance for the year,
- a negative ratio indicates a deficit (structural deficit, actions impacting programs is required),
- this ratio indicates if the institution is maintaining a reserve for adverse economic conditions, and
- this is a good measure to determine if the institution is living within its means.

It is recommended, by most agencies, that institutions set a target in the 2% - 4% range for this ratio (higher is better).

Financial Composite Index:

The four previously denoted ratios are then mathematical combined, using weights and strengths, to generate a Composite Financial Indicator (CFI). The HLC uses an institution's financial information to determine whether that institution operates with integrity in its financial functions (see Criterion 2, Core Component 2.A). It accomplishes this through the required submission of data to HLC through the Institutional Update. The Institutional Update includes financial data, which is reviewed through HLC's Financial Indicator Process.

According to the HLC:

“The financial data submitted in the Institutional Update generate a Composite Financial Index (CFI). For private institutions, HLC uses the financial ratios required by the U.S. Department of Education and for public institutions, HLC relies on the financial ratios recommended in Strategic Financial Analysis for Higher

Education: Identifying, Measuring & Reporting Financial Risks (Seventh Edition), by KPMG LLP; Prager, Sealy & Co., LLC; Attain LLC.

HLC's Composite Financial Index Evaluation Table (Table 1) illustrates the Composite Index Ratio zones that flag an institution for further review."

Zone	Composite Index Range	Financial Panel Review
Above the Zone	1.1 to 10.0	No review.
In the Zone	0.0 to 1.0	Review if flagged for two or more consecutive year; request additional financial documents.
Below the Zone	-4.0 to -0.1	Review and request additional financial documents.

Table 1: The HLC's Composite Financial Index Evaluation Table for Public Institutions

For LSSU, the ratios and CFI value are shown in Table 2. The values are for all Funds held by LSSU - not just the General Fund. These values represent the entire institution. It is important to remember that LSSU has significant assets within non-GF Funds which help to maintain financial stability for the institution. The CFI only measures the financial component of an institution's well-being. It must be analyzed in context with other associated activities and plans to achieve an assessment of the overall health, not just financial health, of the institutionⁱ.

	FY11	FY12	FY13	FY14	FY15	FY16	Desired
Primary Reserve Ratio	0.42	0.44	0.49	0.55	0.31	0.23	> 0.40
Net Operating Revenue Ratio	0.00	(0.05)	0.00	0.00	(0.02)	(0.05)	> 0.02
Return on Net Assets Ratio	0.04	(0.02)	0.04	0.06	(0.19)	0.10	> 0.03
Viability Ratio	0.83	0.88	1.01	1.24	0.78	0.62	> 1.25
CFI	2.30	1.30	2.60	3.10	0.50	1.70	> 1.00

Table 2: LSSU's Historical Ratios and CFI

Given the desired targets and data for LSSU, it could be inferred that:

- LSSU has about three (3) months of reserves on hand (Primary Reserve Ratio - falling to 0.23 or 23%),
- LSSU has not been living within its means (Net Operating Revenue Ratio - high of 0.00 over last six years),
- LSSU has very limited financial flexibility (Return on Net Assets Ratio - unstable from year to year),
- LSSU has a marginal capacity for accruing more debt (Viability Ratio - always less than 1.25), and
- LSSU has been generally "In the Zone" for the HLC, but trending downward (CFI).

There are a number of factors to consider when reviewing these trends. They include:

- LSSU received a \$3.4M refund from MPSERS in FY16.
- LSSU received an additional \$5.5M from the State for Capital Appropriations (Considine Hall) in FY16.
- LSSU was required to begin accounting for its share of the MPSERS net pension liability in FY15. That amounted to about (\$10.8M). It was about (\$17M) in FY16.
- LSSU utilized \$700,000 from its insurance reserves in FY15 to balance the GF budget.
- LSSU utilized \$500,000 from its insurance reserves in FY16 to balance the GF budget.
- Actual revenues were about \$2M short of budget in FY16.
- The South Hall project was not accounted for in the FY16 budget. A short-fall of about \$1.3M.

It's important that LSSU not focus only on the ratios, but on the entire operation of the institution and try to understand the underlying circumstances that led to the actual values. However, it is possible to use these values/ratios as benchmarks for the institution and to plan (as much as possible) to improve the institution's standing in some of the areas.

A number of other metrics could be used to assess the institution's financial status. Those will be presented at a later point within the document.

Another important indication of the financial status of an institution is its change in financial position from year to year. For LSSU, this information can be found in the Annual Financial Reports under the "Statement of Revenues, Expenditures, and Change in Net Assets" (see [Table 3](#)).

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues											
Operating	26,831,052	26,863,943	26,558,222	28,576,793	28,791,501	29,989,565	31,335,660	30,666,721	31,098,907	31,871,543	30,626,612
Nonoperating	11,966,721	11,334,662	13,963,199	13,289,098	17,366,548	18,450,600	14,296,566	16,650,168	17,468,855	16,607,832	16,505,967
Expenses											
Operating	41,694,101	42,924,040	44,040,907	46,631,819	46,935,907	47,640,518	47,801,178	47,451,838	48,430,869	49,643,772	49,801,356
Net Increase (Decrease)	(2,896,328)	(4,725,435)	(3,519,486)	(4,765,928)	(777,858)	799,647	(2,168,952)	(134,949)	136,893	(1,164,397)	(2,668,777)

[Table 3: Operating Gain \(Loss\) for LSSU](#)

This presentation of data in [Table 3](#) ignores the revenue for capital projects and revenue for the LSSU endowments, since these are not directly related to operations. Over the past eleven years, LSSU has seen a loss in nine of those years. This is a picture of the entire institution, not just the GF.

Analysis of Historical Revenue/Enrollment (Recommendations for the Future)

Revenue:

General Fund revenue at LSSU is comprised of six major areas (see Appendix A). These areas are: Departmental Sales and Service; Indirect Cost Recovery; Investment Income; Private Gifts and Grants; State Appropriations; and Tuition and Fees. Over the last four years, two of those areas (State Appropriations and Tuition & Fees) accounted for 96% - 97% of all revenue in any given year. Any plan to significantly increase revenue should target these two areas. Unfortunately, LSSU's ability to influence the State's allocation is limited due to its small size and the use of State defined metricsⁱⁱ in the allocation process. The State expects flat revenue for next year, but expects increased expenditures. Universities should not expect to realize much of an increase in funding. It has been communicated to us, via the Michigan Association of State Universities (MASU), that there are higher priority items: Flint, Roads, Health Care, etc. LSSU should expect to see 2% - 3% increases in its allocation over the next few years (allocations consistent with the CPI). It is also worth noting that the Governor's State of the State Address made nine references to education - none of them about funding higher education (community colleges were mentioned). Governor Snyder's proposed FY18 Higher Education Budget shows a 1.9% increase in the allocation to LSSU. Finally, at a time when most institutions are claiming that states are not supporting higher education, it is evident that for LSSU, the State's overall contribution to LSSU's General Fund has increased in each of the last four years; increasing from 33% to 36% of LSSU's total General Fund revenue (both, appropriations have increased and the overall percent of revenue due to appropriations has increased).

All institutions have been informed that tuition caps are not going away. In planning for the future, LSSU must ask the question "Why would the State continue to allow one sector of the economy to increase its costs by two times the CPI?" That's roughly where the cap is now. LSSU should not expect the cap to go up; it should expect it to continue to decrease to somewhere near the CPI. Tuition increases at LSSU over the last 10 years are provided in Table 4. Since the Tuition Cap has been in place, the tuition has been limited to about 4%. LSSU should plan to limit its future increases to 2% - 4%. The current cap for this year is set at 3.8%

Year (fall)	Tuition	% Increase
2006	273.25	-
2007	299.00	9.4%
2008	326.00	9.0%
2009	341.00	4.6%
2010	361.00	5.9%
2011	386.00	6.9%
2012	397.50	3.0%
2013	410.00	3.1%
2014	422.00	2.9%
2015	433.00	2.6%
2016	451.00	4.2%

Table 4: Tuition Increases over Time

Given the revenue discussions presented so far, one could conclude that the only real way to increase revenue in a meaningful fashion is by increasing enrollment. Enrollment drives tuition and fee revenue. These revenue streams (Tuition and Fees) were previously presented (see Appendix A) as combined, but have been broken out in Appendix B. From FY13-FY16, the tuition has decreased by 6.4% while the course and program fees have increased by 36.1% (during the same time, enrollment fell 7.6%). Program fees alone increased 86.7%. These values suggest an increasing course and program fees burden placed on fewer and fewer students. This trend should not be allowed to continue.

Still, there is 3% of the revenue (Department Sales and Service) that has not yet been discussed. Examination of the different areas within this category show that about \$875k, or about 78% of these items, are related to enrollment (see Appendix C). Therefore, only 0.67% of all GF revenue is non-enrollment driven. Given that over 99% of the revenue (97% + 2.33%) is enrollment driven, LSSU must focus on initiatives that drive enrollment if it wishes to significantly increase revenue. Having made that statement, it's important to note that the 3% revenue streams are not insignificant when compared to expected total revenue increases over the next few years (this is discussed later). It will be demonstrated that revenue increases over the next three years will be less than \$400,000 in any year; given little to no

enrollment growth. Therefore any increase in Department Sales and Service could have a significant impact on the amount of new funds available to LSSU.

Enrollment Trends:

A review of the ten-year enrollment trend shows a period of stability followed by a continued decrease for the remainder of the period (Figure 1ⁱⁱⁱ). Undergraduate enrollment has decreased an average of 2.2% per year since 2000 and an average of 5.2% per year since 2012. In general, this parallels the decreasing population in Michigan (see Appendix D).

Overall, LSSU has seen a 23.6% decrease since 2011, but saw some stabilization in enrollment this year (FY16). Increased competition, a poor Canadian dollar, statewide financial stress, and the increasing cost of higher education also contributed to the decline. There are no short-term indications of a strengthening Canadian dollar and recent political rhetoric could hamper future North American recruitment efforts. On a positive note, the population of Michigan residents aged 25-34 has risen significantly in the last few years (see Appendix D). This could provide short-term opportunities for young-adult educational programming as well as increasing the number of high-school graduates in the future (this would be in the distant future).

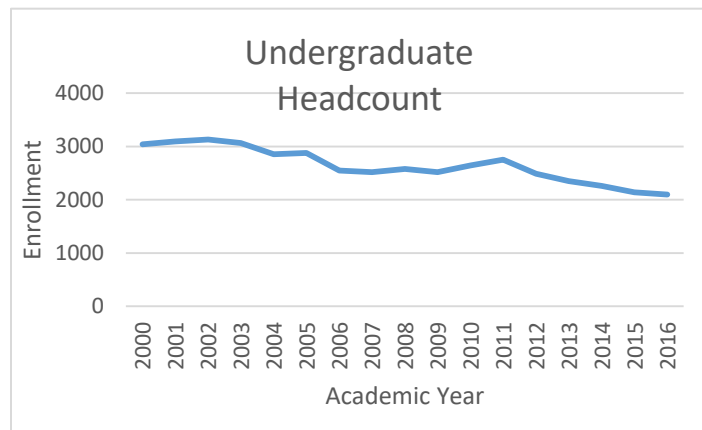


Figure 1: Undergraduate Enrollment over Time

Given the population trends within LSSU's major recruitment areas, the weak Canadian dollar, the institution's lack of international recruitment, limited out-of-state recruitment activity, and growing competition within the State, LSSU should plan to see stable, to decreasing, enrollment for the next few years.

At the time of this writing, First Time in College (FTIC) applications are down 16%, transfer applications are down 7%, and overall, admits are down 8%. Information on orientation reservation is not yet available. A nearby institution (NMU) experienced a significant decline in enrollment over the last few years and has launched an aggressive campaign; their applications are up about 15%.

Conversations with the Director of Admissions and with the VP for Enrollment Services & Student Affairs indicate that "yields", or student conversation rates (admitted students transitioning to enrolled students), are expected to be much higher than previous years and that LSSU should expect a decrease in enrollment of about 3% for FY18. They have also indicated that additional resources allocations are needed to stabilize enrollment in FY19. Specifically they stated:

- New markets are perhaps how research should be focused. That will assist the enrollment part of the institution's budgetary plan. However there are still decisions to be made.
 - One Rate: Initially introduced to Wisconsin and Illinois, future One Rate initiatives should focus on states that are exporting students at increased rate. Also, LSSU should focus on unique programs and careers along with unique location. Budgetary implications to One Rate initiatives should include expansive marketing including name purchases, social media outreach, travel, and an admissions position that focuses on recruiting this population. They believe it might be worthwhile to study retention rates with out-of-state students as well.
- Potential New Markets (Campus Decision Making Required):

- **Adult Students:** Sault Ste. Marie has an adult population which includes Coast Guard families, adults that may have dropped out of college, and adults that have never attended but wish to improve present circumstances. For Coast Guard families to commit to an LSSU education there must be methods set up for completion that may include reverse transfer, specific agreements among military serving institutions or online courses. For Eastern Upper Peninsula adults to want to continue schooling, there needs to be career incentives and support. Adults returning to college typically need specific career guidance, they want credits earned during earlier enrollment attempts to count, they need enrollment and transition assistance from staff, an ability to enroll as part time students and they need flexibility to manage other aspects of their lives. Some adults will need remediation due to time away from the classroom or because of an under-prepared background. Budgetary implications include support staffing, transfer credit guidance, online courses and work on enrollment completion programs.
- **International:** LSSU is what might be considered a perfect place for an International student experience for some students (but there are also limitations). LSSU is located on an international border which allows for diversity of experiences. LSSU is not actively recruiting this group of students so infrastructure needs are significant and growth will take some time. Initial recruitment can come by way of website strategies but could include sister city partnerships, special programs, agent fees or selected recruitment travel. Budgetary considerations would include recruitment and transition staffing along with associated fees for marketing and recruiting abroad. Canadian markets, long considered a basic part of LSSU admissions are not enrolling at the same rate. Canadian markets should not be ignored but they may not pay off as a continued focus except where there are partnerships and unless the exchange rate improves. Since international students have often looked for prestige - perhaps partnerships with Michigan State or University of Michigan could assist. Otherwise marketing very specific programs might be productive. One Rate for all might jump start a new strategic initiative.
- **Underprepared:** Michigan ranks on the higher side for class size of students at the high school level along with higher numbers of students per counselor. This dynamic along with First Generation student status, may indicate a group of students that may not be well equipped for specific college decision making or have adequate skills for success. LSSU is currently attracting an increase in the number of under-prepared students. Specific efforts within advising, career exploration and academic assistance would be needed for this group to be successful. This population would be the easiest for Admissions to admit but the hardest for the campus to serve without a specific shift within culture and advising strategies. Stakes are high for students as this group would not typically qualify for scholarships and student debt can take a tough financial toll on the individual students if they are unsuccessful.
- **Retention:** An updated Advising/Academic Counseling Structure is needed.

The Western Interstate Commission for Higher Education (WICHE) has issued reports projecting continued declining high school graduating numbers in the Midwest, especially for Michigan - with a notable decrease projected for 2020. Additional information on student interest in degree programs is also provided. See Appendix E for more information. Given the projected decrease in student numbers, LSSU should plan to make significant progress in international and out-of-state recruitment if stable enrollment in FY20 is desired. International recruitment will require a strategic commitment by the University in relation to transition and retention initiatives.

Many believe that the institution's greatest potential to increase enrollment may lie within its ability to leverage its financial aid (tuition discounting) in order to attract larger numbers of students paying a greater share of the tuition through need-based aid. It is suggested that LSSU develop relationships with external firms to analyze LSSU data using predictive analytics to help guide the Financial Aid department in this effort. The Financial Aid staff are reviewing various scenarios and future funding methodologies and will disseminate information to the campus community as more is known.

Analysis of Historical Expenditures

(Recommendations for the Future)

Historical Trends:

Within the General Fund (GF), LSSU parses out the expenditures across seven broad categories (referred to as “Programs” in the financial records): Instruction, Research, Academic Support, Student Services, Financial Aid, Instructional Support and Physical Plant. LSSU’s Program codes are the **Functional Classification of Expenditures** which are according to purpose. LSSU’s Account codes follow the **Natural Classification of Expenditures** which are according to the kinds of economic benefits received in incurring the expenses. The first four areas/Programs primarily report to the Provost. There are a few exceptions. The remaining areas are comprised as follows:

Financial Aid:

This area includes only the academic financial aid actually disbursed to students. There are no salaries within this program. The scholarships are recorded as part of the CSSM^{iv} budgets (7xxx).

Institutional Support:

This area includes the Board of Trustees, Presidents Office, Office of the Provost, VP Business-Finance, VP Student Affairs, Business Office Administration, Institutional Services, Purchasing Office, Mail-Copies-Fax Services, Receiving-Fleet-Stores, Sponsored Programs-Grants-Contracts, Human Resources, Employee Recruitment, Labor Relations, Information Tech-Admin Computer, Safety-Security, Public Relations, Public Relations Marketing, Web Support, Graphics, Norris Center Administration, Arts Center Admin, Arts Center Gallery Operations, and Alumni Relations.

Physical Plant:

This area includes Utilities, Plant Administration, Trades, Custodial, Grounds, Minor Construction, Central Heating Plant, Norris Center Maintenance, and Arts Center Maintenance. Only expenses applicable to the GF are included.

Examining the actual expenditures over time yields [Table 5](#). The actual percentage of funds expended by each program has remained fairly consistent over time. Financial Aid has seen the greatest increase.

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction	39%	40%	41%	38%	39%	39%	37%	37%	38%
Research	0%	0%	1%	0%	0%	0%	0%	0%	1%
Academic Support	10%	9%	9%	10%	9%	9%	9%	9%	9%
Student Services	7%	7%	8%	8%	8%	8%	7%	7%	8%
Financial Aid	12%	11%	12%	13%	13%	14%	15%	16%	14%
Institutional Support	16%	18%	15%	16%	15%	16%	16%	16%	17%
Physical Plant	16%	15%	15%	15%	15%	14%	15%	15%	15%

Table 5: Actual General Fund Expenditures over Time - Broken by Program Code

Table 5 could be used as a broad guide for future allocation of funds. For instance,

- If LSSU desired to improve its infrastructure, then the allocation to Physical Plant might have a target allocation of 16%-17% of the overall projected GF expenditures.
- If there was a desire to pursue serving more underprepared students, then Academic Support and Student Services might see an increase of 0.5%-1.0% of the overall projected GF expenditures.
- If there was a desire to offer more Financial Aid or to leverage larger amounts of Financial Aid in an effort to increase enrollment, then that program could be funded at 15-16% of the overall projected GF expenditures.

Obviously, the GF is limited, and any increase in a Program would need to be balanced by decreases in the other Programs.

Another way to review the same dataset is to examine the expenditures in terms of salaries and supplies. [Table 6](#) shows this analysis. In general, the percentage of the General Fund expended on salary and fringe has decreased from 68% to 66%, with Permanent Salaries seeing the greatest percentage drop.

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Permanent Salaries	40%	40%	40%	39%	38%	39%	37%	38%	38%
Adjunct/Overload	3%	2%	2%	2%	3%	2%	2%	2%	2%
Summer Faculty	2%	1%	1%	1%	1%	1%	1%	1%	1%
Student	2%	2%	2%	2%	2%	2%	2%	2%	2%
Special Assignments	0%	0%	0%	0%	0%	0%	0%	1%	1%
Overtime	1%	1%	1%	1%	1%	1%	1%	1%	1%
Fringes	21%	23%	24%	23%	22%	21%	20%	19%	21%
Supplies	32%	31%	30%	32%	33%	34%	36%	36%	34%

[Table 6: Actual General Fund Salary and Supply Expenditures over Time](#)

As with the [Table 5](#), this information could be used to make budget allocation decisions. For instance:

- If LSSU desired to enhance its summer offering then increasing the allocation to summer faculty would be necessary.
- If LSSU desired to increase its use of adjuncts in the classroom then setting a target of 5%-8% for the future allocation of adjunct funds might be seen.

These are just two ways in which data might be reviewed and just a few examples of how LSSU might use the data to set targets for future allocations and also gather assessment data to measure progress toward those targets/goals.

Master Plan:

TowerPinkster, in partnership with Corbin Design, worked with constituents of LSSU to develop a Master Plan for the campus. Campus Master Plans are a benchmarking tool used to describe where an institution is at a given point in history, and describe the priorities for that institution moving forward. The priorities are developed over the course of the process and are unique to each institution that develops them. The Master Plan document describes the University's history, drivers for the current iteration of the plan, and where the campus wants to be in the future (over a 20 year horizon). This is a tool that helps describe the priorities of LSSU and how those priorities impact the physical environment of the University. The Plan was accepted by the LSSU Board of Trustees at their April 2016 Board meeting.

In the process of gathering and analyzing data for this report, TowerPinkster utilized a variety of methods to engage staff, faculty, and students to determine the needs of existing college campus facilities and gauge future initiatives. There were group stakeholder meetings held with students, faculty, staff and the greater Sault Ste. Marie community, an on-line survey was conducted, and various other methods including social media and one-on-one correspondence with stakeholders from around the country. This independent fact-finding process was then reviewed with the LSSU Master Planning Steering Committee and University members, comparing and contrasting TowerPinkster's findings with the opinions of the Steering Committee and university members and their information regarding the needs and demands of the changing environment at Lake Superior State University. The result is a 360 page report denoting their findings and prioritizing future needs and directions.

Many of the highest priority initiatives are already underway: signage, South Hall, CFRE, and campus wayfinding. Additionally, LSSU has begun to assess the roadway and parking infrastructure using an external consultant as well as contracted with Johnson Controls to conduct an energy audit. As decisions are made to embark on new initiatives, LSSU will need to fold these into its financial plans.

It is recommended that some funding should be set aside in order for the highest priority items to be pursued.

Strategic Plan:

CAFÉ is the acronym which captures the essence of the Strategic Plan and drives conversations/decisions across campus. CAFÉ stand for Culture, Academics, Finance, and Enrollment. Recently, LSSU restructured its Shared Governance process around CAFÉ, creating and staffing four strategic committees. Each of the committees serves as a conduit/catalyst for campus-wide communication and recommendations for each of the CAFÉ areas.

Some funding should be set aside for initiatives that result from the CAFÉ review of institutional conversations.

Infrastructure & Capital Improvement (Capital Outlay) Plans:

The LSSU Five-Year Capital Outlay Master Plan can be found on the LSSU website at <http://www.lssu.edu/phyplant/masterplans.php>. The plan is required by the State and meets the criteria as specified by the State of Michigan. Components of this Plan are also found within the Master Plan. There are several important components to the Plan. They include:

- Infrastructure Maintenance and Upgrades: Heating and cooling systems, sidewalks, electrical systems, safety systems, ADA compliance, and much more comprise the infrastructure. Each year, the list of projects to be completed is reviewed by appropriate constituent groups and funds are budgeted.
- Deferred Maintenance: All but one State-funded university in Michigan claim to have large deferred maintenance lists. In difficult budgeting times, this is usually the first area to be cut. For FY17, this was the case for LSSU - only necessary projects were approved. The bulk of the Capital Outlay Plan addresses a long list of deferred maintenance projects. In total, LSSU has about \$4.8M in deferred maintenance projects.
- Capital Outlay Projects: The Plan currently mentions four Capital Outlay Projects. They are the:
 - South Hall Renovation Project
 - Center for Freshwater Research Project (CFRE)
 - Engineering Lab Expansion (mobile robots)
 - Criminal Justice/Fire Science Lab Expansion

The South Hall Renovation Project is nearing completion and opened in the spring of 2017. This building will require about \$75,000 per year in new funds for operation.

The CFRE project has been approved by the State for planning. This \$11.8M project will require funding for architectural and engineering work. Funding may come from the Foundation or from the General Fund. It is likely that the GF will need to fund some of the work.

The remaining two projects cannot be submitted to the State until construction has begun on the CFRE Project. Since construction will not begin for at least one to two years, no funding is needed at this time.

Additionally, Business Operations met with several units from across campus which ask that specific infrastructure requests be considered within the FY18 budget. Those requests included:

- Automated access to the Math/CS computer lab(s) via ID card or key fob.
- Addition of five, twenty-amp, back-up-generator based, electrical lines/circuits for the Chemistry lab(s).
- Installation of a cell culture lab for Biology.
- Building a Fire Science training facility.
- Renovation of L-278 (carpet, paint, cleaning, new ceiling tiles, steam clean the chairs, new whitewall).
- Moving the offices for Academic Services, School of Arts and Letters, School of Social Sciences, School of Education, College of Arts and Sciences, Information Technology (IT), Career Services, and the classroom/resource center space for the School of Education.

Physical Plant staff are evaluating the costs of these requests for consideration.

Information Technology Upgrades:

No significant investments in IT have been made since LSSU moved to BANNER (2005) and later began to institutionalize personal computer needs (2011). External consultants have indicated that LSSU is underfunding these areas significantly. Internal studies show a need to invest about \$2.6M over the next 5-7 years to replace outdated equipment. As such, the Board approved spending an additional, one-time allocation of \$580K in FY17 for hardware upgrades for IT infrastructure. Additionally, LSSU is using the South Hall Renovation project funding to implement a secondary server system for emergency backup (to be housed in the renovated building).

Systems which require attention are wired network switches, wireless access points, datacenter firewall, storage arrays, virtual machine servers, phone and voicemail system, and most of the residence halls' wireless access points. The allocation for FY17 will help but continued allocations in subsequent years are necessary for future viability. As of FY17, LSSU has a need for about 875 computers across campus. Using a five-year replacement plan, IT has scheduled replacement of 175 computers every year. The institution is utilizing five-year leases at a cost of about \$30k/year/lease for a total expenditure of \$150k/year for computer leases.

The other component of IT is the upgrading of BANNER to BANNER XE. Unlike previous upgrade which required the entire system to be modified, BANNER XE is backward compatible and is delivered in modules. As such, the institution can choose which systems to upgrade. However, BANNER will be discontinuing support and upgrades to existing BANNER modules and expect to have everything ported over to BANNER XE in two years. Some modules are already available. There will not be a significant monetary cost to LSSU, but the time to train the BANNER user groups will be significant. LSSU may need to budget some funding for in-house training.

Debt Service:

The debt service is comprised of bond payments, leases, short term loans, and a contractual arrangement with Sodexo for the Quarterdeck renovation. Each of these areas will be discussed within this section. A brief financial summary of all debt service obligations (current and projected) is provided in Appendix F.

Bonds:

LSSU has General Obligation bonds which means that the institution may choose which funds are used to cover the debt service. At present, LSSU utilizes the General Fund, Housing Fund, the Copier Fund, Loft Rentals Fund, and Tribal 2% Fund to fulfill the bond debt service obligations. Business Operations maintain a history of the originating debt service commitment and the payments made. Auxiliaries should be contributing funds to cover about 22% of the bond debt, but have been contributing a larger portion. As such, their contribution should be reduced in future fiscal years. The remaining 78% has been paid by the funds previously noted, but different funds may be used in the future as Business Operations continues to review institutional operation and resource availability.

Copiers:

LSSU has used a five-year lease-to-own plan (\$45,000/year) for copiers in the past. The lease ran out in fall 2016 and a decision was made to delay bidding for a new contract until summer 2017. LSSU will need to issue a Request for Proposal (RFP) for FY18 and should expect to budget \$45-50k/year for the next five years.

Computers:

Until 2011, individual units were responsible for the purchase and maintenance of all computer equipment. In 2011, the Provost and Director of IT implemented a five-year computer replacement plan. The plan was to replace about 1/5 of all computers on campus, each year for the following five years, with five-year leases. This would institutionalize and standardize the bulk of all computers on campus. The cost to LSSU would be about \$30k the first year and increase to \$150k over the next five years. For a variety of reasons (mostly financial), the plan has not been fully implemented, but great progress has been made. LSSU is currently expending \$90,000

per year for leases and should plan to continue to increase the number of leased computers. The institution should also review computer needs across campus to determine if there are too many computers on campus.

Wireless Equipment:

As the density of personal computing devices grows and content rich sites are accessed from all areas of campus, LSSU will need to invest in new technologies to support the needs of students and faculty. One of the areas where LSSU sees the greatest need has been the residence halls. Investments made to date have only covered the cost of maintenance - no significant improvements have been made. Therefore, most of the equipment is at the end-of-life and in need of replacement. Furthermore, the current number of access points is not sufficient. Many institutions have moved to one access point per room. Housing had only 16 access points in Brady Hall - covering 68 units. In January 2016, LSSU invested in wireless equipment. A three-year lease was executed to acquire 225 new access points to replace existing access points that were at their end-of-life. Two Auxiliary Funds are sharing the cost. In December 2016 additional access points and network equipment was acquired to address WiFi performance issues in Brady Hall (the building now has one access point per living unit). LSSU should expect to purchase and/or lease significantly more access points in the future.

Exercise Equipment:

In 2016, LSSU took out a \$150k loan for the purchase of exercise equipment for the Norris Center (SAC). The repayment is to occur over five years and will initially be paid from a Designated Fund.

Quarterdeck Renovation:

In 2011, LSSU entered into a contractual agreement with its food service provider, Sodexo, for the renovation of the Quarterdeck. In essence, an interest free loan was provided to LSSU. Currently, Housing and Food Service funds, funneled through the Plant Fund are being utilized to make the yearly payments.

Institutionalization of Title III:

The Title III grant expects that LSSU will institutionalize most aspects of the grants. There is not a need to institutionalize people/positions, but rather the functionality. However, in some cases this will require LSSU to add additional payroll lines to the GF.

In an email from the Title III Director (April 14, 2016) a schedule of institutionalization was provided. The Director indicates that about \$41k dollars is needed for FY18 (the final year of the grant) and that an additional \$114k would be needed in following years, provided all staffing continues. The Provost should work with the Title III Director and associated areas to review the grant outcomes and future staffing necessary for continued operation.

Utilities:

This section will discuss historical spending trends in utilities at LSSU and discuss some of the external factors that may impact pricing and availability. Over the last ten years, the total utility costs have varied from about \$2.3M to \$2.9M (Figure 2). In general, utilities make up between 7% and 10% of the General Fund's direct expenditures -

before accounting for Auxiliary abatements. A good portion of those expenditures are reimbursed by Auxiliary Funds - through the process of abatements. General Fund operations consume roughly 70% and Auxiliary operations consume about 30% of the total utility costs.

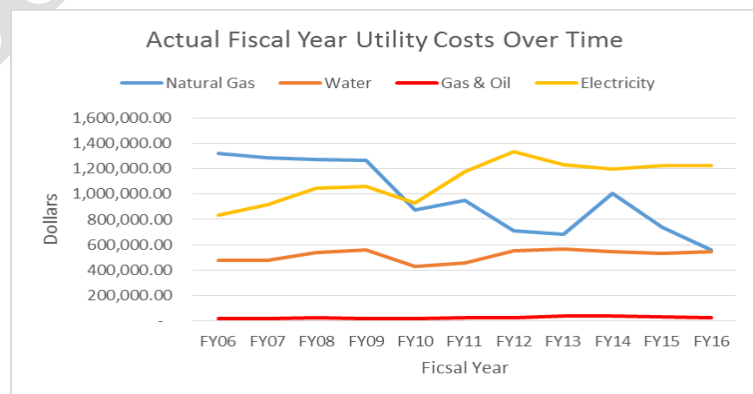


Figure 2: LSSU Utility Costs over Time

Understanding the historical trends and future expectations can help LSSU budget these expenditures more accurately.

Natural Gas Prices (LSSU Account Code 7550 - Fuel):

Natural Gas is utilized primarily by the LSSU Steam Plant and a few residences on campus. Natural gas prices have historically ranged from \$2.61 to \$8.86 per MMBTU^v over the last fifteen years (see Appendix G for historical long-term natural gas prices). Prices are up about 13% from last year compared to September 2015. LSSU's reliance on natural gas is somewhat significant since it is the primary heating fuel, and the impact on the budget varies from about \$560k/year to \$1.3M/year; trending downward over the last 10 years (Figure 3).

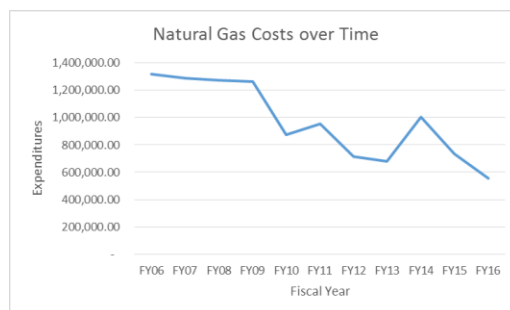


Figure 3: Actual Natural Gas Cost for LSSU

As LSSU reviews its historical spending, it needs to review not only temperature profiles, but national trends and disasters. For example FY14 was not an unusually cold winter for LSSU. LSSU had 9,712 heating degree days in FY14 compared to 9,460 heating degree days in FY15. This was only a 2.6% increase, but the costs increased by 36%. The reason was that in FY14 the U.S. experienced three polar-vortex events. Natural gas futures spiked on forecasts of another descending arctic air blast and unseasonably cold temperatures in March. March futures soared and settled about 11% higher for the month, at \$6.15 per MMBTU - a five-year high. Natural gas prices were up nearly 44% since the beginning of the year. Earthquakes and hurricanes have also caused natural gas prices to fluctuate substantially for short durations.

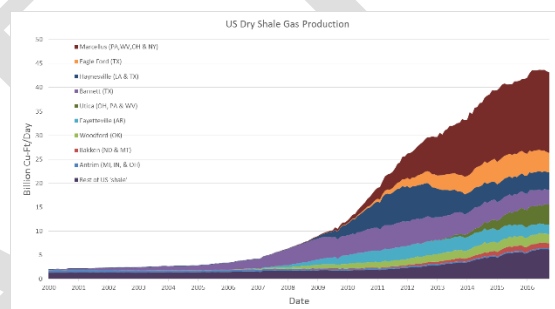


Figure 4: U.S. Natural Gas Production Trends

On the positive side, new infrastructure (pipelines) opened in 2008/09 and fracking has increased substantially. Both of these have driven natural gas prices down dramatically. Many believe that the U.S. holds about 100 years of gas and natural gas reserves that can be reached via fracking. A chart of natural gas production is provided in Figure 4. As production has increased, prices have fallen. Given that no major calamities occur and expecting fracking to continue for the near future, the institution can assume that no major budget adjustment in this area is needed.

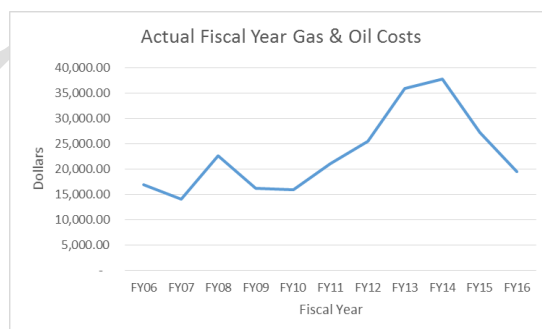


Figure 5: LSSU Gas & Oil Costs

Gas & Oil: (LSSU Account Code 7540)

For LSSU, this account code is comprised of expenditures in unleaded gas, liquid propane, and diesel fuel. The price of oil has dropped to about ½ of what it was in 2013 (\$95.75 to \$45.18 per barrel) and is currently down about 0.5% from last year. LSSU's reliance on oil, gasoline, and propane is not significant and the impact on the budget has been decreasing in recent years - following the cost profile. No dramatic short-term budget adjustments are needed (Figure 5).

Water:

Water expenses for LSSU are fairly consistent and run about \$500k/year. The bulk of the expenses are in the auxiliaries and swimming pool. From a general fund viewpoint, about 50-60% of the water expenses are abated in any given year. No significant budget adjustment is needed (Figure 6). However, there is a belief that LSSU can reduce these costs a significant amount with some investment.

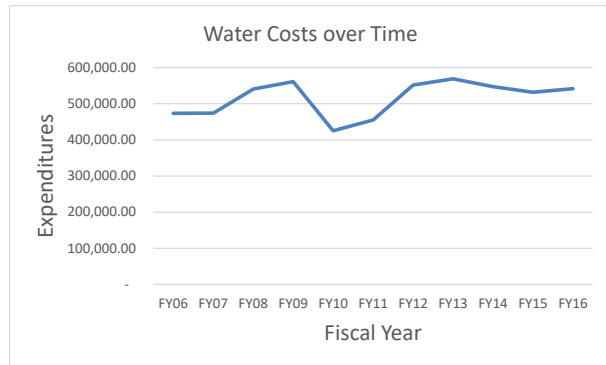


Figure 6: Actual LSSU Expenditures for Water

Electricity:

Electricity costs have generally grown (from \$800,000/year to \$1,200,000/year) over the last ten years, with some stability in the last 3-4 years (Figure 7). The increase in electricity costs are attributed to adding additional campus infrastructure and the increasing costs of electricity. Electricity expenses make up about 50% of all the utilities expenditures at LSSU. LSSU has taken steps recently to reduce energy costs by switching to lower cost lighting unit whenever possible. The institution's costs over the last three years are fairly consistent from month to month (about \$100,000/month) with December and May being the lowest cost months. LSSU expects to continue to replace inefficient systems and expects rates to stay fairly constant; therefore no significant budget adjustments are needed. LSSU should however, look for ways to reduce expenditures in this area, since it makes up a large portion (between 3.5 and 4.0%) of the institution's General Fund expenditures.

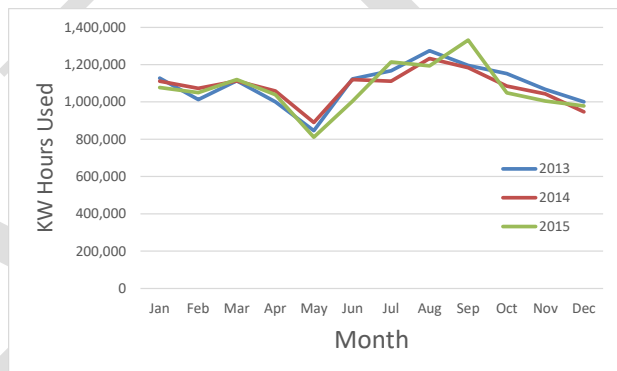


Figure 7: Actual Monthly KWH Consumption

Raises:

Employee salaries are generally more competitive with nationally normed cohort data when compared to salaries 3-5 years ago. Good progress has been made in faculty salaries - with the average tenure track faculty making about 90% of CUPA^{vi}. The remainder of the LSSU work force is at xx% of CUPA with ESP at xx% and AP at xx%. The institution should ensure the faculty salaries remain at the current rate (% of CUPA) while looking for opportunities to increase the other two employee groups. LSSU should plan to increase salaries at a modest rate (<2%/year) over the next few years, unless sustained enrollment increases can ensure continued stability. Any raises that are budgeted, should be scheduled for implementation after October 1st of any year, so that a better revenue estimate for the year is available.

Benefits - Medical, Dental and Vision:

LSSU currently uses Blue Cross Blue Shield of Michigan (BCBSM) as its primary provider for medical, dental and vision. The costs for this program have remained relatively flat for the past seven to nine years. In benefits terms, relatively flat means that cost growth has been 5% or less, year over year. Costs are a direct result of utilization. LSSU is self-funded, and pays BCBSM an administrative fee. The fee is negotiated in a group purchase relationship with other Michigan universities through a benefits cooperative called the Michigan Universities Coalition on Healthcare (MUCH). LSSU pays the cost of utilization, which are services provided to those covered under the plan.

Costs for medical, dental and vision are currently increasing slightly ahead of trends due to several factors. This is driven by the medical component; LSSU has seen flat or slight reductions in dental costs. LSSU's overall goal should be to manage (keep) the flat plan costs, and not make changes that will result in cost spikes. In general, LSSU's overall increase has been in the less than 5% year over year. Compared to plans with double digit increases, this is an excellent trend.

The cost of prescription drugs has increased. This is not within the institution's control. In the marketplace, one can expect to see double digit increases. LSSU's spend history for 2013 to 2015 is \$642.4K, \$683.2K and \$813.3K. One way to lower costs for medical plans is to increase use of generic prescriptions. LSSU's generic utilization is approximately 80% (79%, 82% and 84% for 2013, 2014, and 2015 respectively). The generic-to-cost ratio for 2015 is 84% generic to 24% of Rx cost. This means that moving the generic utilization dial up two or three points a year will result in a small return. Which, in turn, means LSSU has very little room for a meaningful cost savings. In reality, there is little likelihood generic utilization will move to 95%+. This level of generic utilization is good. The goal will be to ensure there is no erosion of benefits with this utilization.

One item of significance is the cost associated with specialty drugs. Specialty drugs are driving up Rx costs. Given this is controlled at the point of service, there is little immediate action that can be taken to lessen the cost impact from specialty Rx. LSSU is actively exploring tiering and formulary options to mitigate cost increases. This is not a short term strategy, though it is an important path to follow. 2013 had two specialty drugs (Copaxone and Humira), 2014 had four (same drugs) and 2015 had three. A significant portion of the brand Rx cost is the specialty drug expense.

The number of employees covered under LSSU's plan has a direct impact on the cost of the plan. In recent years, the federal healthcare laws have changed how employers determine employee eligibility for coverage. The changes two years ago resulted in some employees being eligible who otherwise would not be. While a small number, this does contribute to costs.

LSSU does have more control over the number of employees covered as a function of hiring practices. Current hiring practices and union contracts contribute to costs. When hiring temp or term faculty for short-term appointments (one semester for example) these employees are eligible for benefit coverage (they also are eligible for TIAA contributions and MPSERS premiums, which are very costly). This contributes to overall plan costs.

Employee cost share is another path to manage costs. Currently, LSSU has the following employee share levels set: (approximate numbers) 15.5% for AP employees, 15% for faculty and 5.5% for ESP employees. Many times organizations want to increase these ratios in order to front load more cash into a plan. Increasing employee contributions will result in an increase of cash into the institution's healthcare reserve fund, however, based on an overall plan valued at \$4.7 million, the amount of increase by moving these measures one or two points is not significant. Given other financial factors in the university's employee environment, there may be more negative responses to moving these items than benefit. At this time, this is a viable, though not a priority option.

High cost claims also contribute to increased utilization. LSSU's high cost claims are trending up. Over the past three years claims have moved from 0 to 2 to 4 high cost claims. There is little LSSU can do to manage or mitigate the likelihood of these claims, other than reducing access to coverage, which can be done by more carefully monitoring who is and who is not eligible for plan membership.

Overall plan costs can be reduced by reducing utilization. Utilization can be reduced by decreasing enrollment in the plan. This may be a good cost strategy, but is not desirable from an employee relations perspective. The institution can limit access to the plan for short-term hires, such as temporary employees.

Other actions that can be taken or have been taken, without reducing coverage are:

- Layer in access opportunities that cost less. Last year LSSU implemented AmWell, a phone based physician access service. This service reduces costs for the employee and the University, and reduces the cost of utilization.

- Educate staff on the costs of personal choices; such as engaging with a primary care physician rather than using the Emergency Room as a first stop for care that is not emergent.
- Modify hiring practices, so LSSU is not placing employees into benefit eligible positions for short, sporadic periods of time.
- Manage employee schedules, so that employees who are not benefit eligible do not unintentionally become benefit eligible. This is a rule under the Affordable Care Act, and is fully controllable by the employer.
- Monitor Stop Loss coverage. This is done annually to ensure LSSU is not overpaying for this re-insurance coverage - which is costly. Based on claims trends, LSSU's coverage as of early 2017 is at an appropriate level.
- Improve how LSSU reviews annual trends and forecast plan costs. LSSU implemented a relationship with Gallagher Benefits Services in 2014 for just this purpose. The institution believes this has resulted in improved vendor accountability (BCBSM) and improved forecasting of costs, and associated employer / employee cost share allocations.
- Leverage MUCH. LSSU works closely with MUCH on long term solutions, and also to negotiate improved service discounts (affects the cost of utilization) and to negotiate below average administrative fee increases (which has saved significant costs year over year).

This past year LSSU also adjusted the billing cycle with BCBSM: moving from quarterly payments to weekly payments. Though somewhat of a processing burden due to frequency, LSSU was able to get a 1% reduction of BCBSM administrative fees (avoidance of 1% increase, not a reduction).

Benefits - Time off Programs:

LSSU is also self-funded for other benefits, for example, vacation and sick leave. Sick leave is the institution's most costly time off benefit, and again, the costs are based on utilization. The sick leave program functions as both a personal sick time bank and a short-term disability bank.

LSSU's sick leave plan is another benefit program that should be reviewed. LSSU has cost control options that are currently being explored. In the past, LSSU reduced (stopped) making sick leave bank payouts to departing employees. This was a significant cost savings. Current sick leave policies are extremely generous, and can easily be updated to better control costs. Given that a primary purpose of sick leave is to cover time up to a long-term disability event, sick leave can be converted into a more structured short-term disability leave program. This option is currently being assessed.

Benefits Funding - Reserve Accounts:

Reserve funds and associated payroll contributions should be reviewed. LSSU needs to ensure it has sufficient cash to pay a weekly invoice to BCBSM, it needs to have sufficient reserves to satisfy the institution's portion of any high cost claims. However, at a high level, it is believed that LSSU is over funding the health insurance reserve by 40% to 50%.

Another important consideration is the workers' compensation reserve account. While workers' compensation is a benefit, it is not one that LSSU has much or any control over, in terms of claims. However, LSSU does have opportunities to influence inputs and outcomes. For example, LSSU's Safety Officer is a campus leader regarding work place safety. Employees have significant opportunities to influence safety at events on campus, some of which turn into workers' compensation issues. Since 2014, with added emphasis in 2016, LSSU has implemented routine safety awareness meetings with Facilities Management staff, and have increased safety planning and messaging across campus. There is more to do. This does affect the institution's workers' compensation rates. LSSU has approximately five active claims at any one time. Appropriate units have started, over the past three months, to work more closely with ASU (LSSU's workers' compensation vendor) to manage these claims.

Overview of Employee Benefit Plans:

In 2014 LSSU started an annual benefits fair as one of several ways to communicate with employees about plan changes and plan options. This will continue, with improvements next year.

Life Insurance:

In the spring of 2015 LSSU changed its life insurance provider to Unum. Supplemental life coverage for employees was added in 2016. Though not a significant cost change, Unum did improve service levels. A meaningful life insurance plan is associated with reduced stress in the workplace, which, potentially, translates to utilization (or less utilization) on the medical side.

Flexible Spending Accounts:

In 2015 LSSU updated its support for FSA accounts, went with a new vendor (Basic) delivering improved service, and has seen a small increase in account use. Using an FSA for medical costs is one way employees can increase the value of their dollar. This contributes to a better educated health care plan user.

Plan Costs and Employee Premium Cost-Share:

Each year, Human Resources staff examines plan costs, utilization and administration fees (plan management costs paid to BCBSM). For 2017 the preliminary review of rates indicates that admin fees will increase and that utilization is forecast to increase; this means overall premiums paid by employees will go up. Rates increased by 4.7% for 2017. Plan year data (and look back data) is generally available in September and October of each year. At this time, it's anticipated that LSSU should budget for an increase of 3-5% for 2018.

Affordable Care Act Adjustments:

There are a number of PP/ACA elements that are in play and some that are still pending. The 30 hour a week rule is one that will be looked at this year. This means, an employee, who is otherwise not benefit eligible, will be considered eligible if they work an average of 30 hours a week during a specified look back period. A PP/ACA item on the horizon, though under debate, is the desire for the IRS to tax medical plans that are "too rich." (This may or may not continue with the new federal administration.) This is referred to as a Cadillac plan. Human Resources (HR) is currently doing a Cadillac plan analysis. To protect the institution's plan, HR implemented a bronze equivalent plan, which is called Community Blue. It is a low employee premium, high deductible plan. Its offerings mirror the offerings of other institutional plans. HR is also updating associated policies.

Stop Loss:

LSSU reviews Stop Loss on a regular basis. The current threshold is \$80,000, meaning LSSU pays the first \$80k and then coverage takes care of costs that exceed the Stop Loss threshold. In 2015, the institution had two large claims; in 2016 there were four. Heading into 2017, the institution remains at four. Plans at this time are to leave the retention at \$80,000. Payment for these expenses are funded via the Insurance & Benefits Health Insurance Reserve fund.

Prescription Management:

LSSU is tentatively exploring a PBM (Rx) carve out. However, preliminary data suggests that this is more complex than the value that may be gained. This remains under review. The complexity may not justify the plan change.

Dental Coverage:

Another potential carve being examined is for dental coverage. Just as in Prescription Management, preliminary data suggests that this is more complex than the value that may be gained, with additional concerns about participating providers. This remains under review.

COBRA:

LSSU updated its COBRA document set to ensure it was compliant with the various technical requirements of COBRA. A return on investment analysis on outsourcing shows that LSSU is better, from a cost perspective, to continue managing this component in-house.

American Well:

AmWell is a BCBSM telemedicine option. LSSU currently offers this to all employees covered under BCBSM. There is significant savings (if used) in return for a small added costs (less than \$1,000) a year.

Trending Analysis:

Though plan costs do rise from year to year, one of the metrics used to watch trends is utilization: what LSSU actually pays in claims dollars year over year. This is not the full cost of the medical plan, but it is a good indicator of choices that plan participants (covered lives) are making. From 2012 to a forecast for 2016 LSSU trends (minus large claims) looks like this:

2012 – \$2.74M
2013 – \$2.65M
2014 – \$2.87M
2015 – \$3.05M
2016 – \$2.88M

This means that from 2012 to 2016 LSSU has seen an approximate utilization growth of 4.95% - or about 1% on average a year. LSSU is conducting a more in depth analysis of this and other related trend data. However, this is a very good way to look at plan growth. This trend is considered “flat” - meaning, that when graphed LSSU is not seeing the type of change in its utilization costs that is seen elsewhere in the market. BCBSM estimates that LSSU’s expected plan trend statistically should be more like 5.5%/year. This means LSSU’s experience is very good. Knowing that many other places have seen plans with double digit cost/price growth year over year, LSSU will want to be very careful with plan changes under consideration.

Summary:

Budget implications, based on where the institution is at in early 2017, indicate the costs of benefits will continue to increase.

- Current institutional trends shows that for Lake Superior State University’s type of plan, the cost are very good (in other words: year over year increases are not large).
- Costs can be contained by limiting access to these benefits, or restructuring plans. The institution should look at eligibility before considering removing elements from the existing plans.
- HR suggests LSSU look at budgeting 5% for 2018, knowing this number may change in April (after updating data and doing a review with **GBS**).
- LSSU should consider options for a short-term leave program and modify its sick leave plan.
- LSSU should review all time off plans, and associated accrual accounts.
- Health Insurance reserves should be reduced, after a review with **GBS**.
- Work Comp reserves should be reviewed.
- Safety awareness messaging should be increased.
- Health plan usage / education should be increased.

TIAA-CREF & MPSERS:

LSSU participates in two plans that provide retirement and/or post-employment benefits; TIAA-CREF and MPSERS. Both are introduced below ([Figure 8](#)).

(TIAA-CREF) Teachers Insurance and Annuity Association – College Retirement Equities Fund

Support personnel represented by the Michigan Education Association/National Education Association (MEA) hired after January 1, 1996, and faculty and administrative employees are eligible for the TIAA-CREF plan. TIAA-CREF is a defined contribution plan where the University contributes an amount equal to 10.0 percent of administrative and faculty group employees’ pay (12.0 percent for those hired before January 1, 2010), and 10.0 percent of MEA employees’ pay. The University contributed approximately \$1,654,000 for the year ended June 30, 2016. Plan participants maintain individual annuity contracts with TIAA-CREF, the plan administrator, which are fully vested. Plan provisions and contribution requirements of the TIAA-CREF plan are established and may be amended by the University’s Board of Trustees.

(MPERS) Michigan Public School Employees' Retirement System

The University participates in the Michigan Public School Employees' Retirement System (MPERS or System), a statewide, cost-sharing, multiple-employer defined benefit public employee retirement system governed by the State of Michigan that covers substantially all hourly employees and some salary employees hired prior to January 1, 1996. Employees hired on or after January 1, 1996 cannot participate in MPERS, unless they previously were enrolled in the plan at the University, or one of the other six universities that are part of MPERS. The System provides retirement, survivor, and disability benefits to plan members and their beneficiaries. The System also provides post-employment health care benefits to retirees and beneficiaries who elect to receive those benefits. The University's actual and actuarially determined contributions to the plan for FY16 were \$1,888,294. Contributions include \$162,611 of revenue received from the State of Michigan to fund the MPERS Unfunded Actuarial Accrued Liability (UAAL) Stabilization Rate for the year ended June 30, 2016. The total payment was distributed between the GF and Auxiliary funds (GF: ~ \$1.6M, Auxiliary: ~ \$270K).

For the TIAA-CREF plan, LSSU's contribution is fixed and known on a yearly basis. Costs are directly proportional to the number of employees participating in the plan and related to each employee's start date.

Due to the complexity, actuarial estimates, and market fluctuations of the MPERS plan, cost estimates are problematic - and controlled by the State. Costs are not proportional to the number of employees participating in the plan and have continued to grow over the same time period that our number of employees has decreased. Annual growth has been about \$50,000 per year, with an increase of about \$100,000 for FY16.

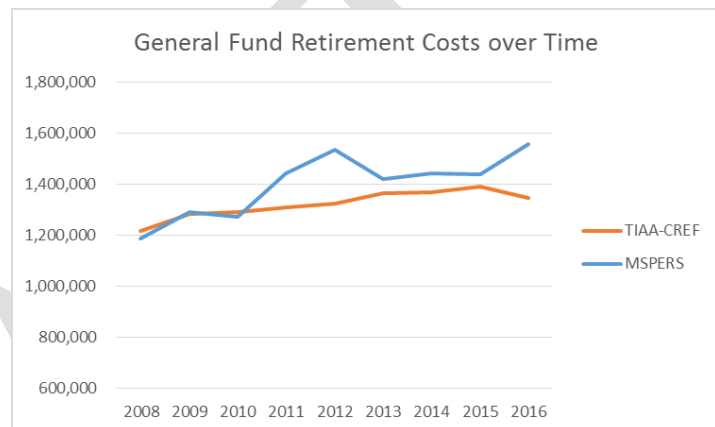


Figure 8: LSSU Retirement Costs over Time

Based on recent developments (initiated in FY16) in the MPERS processes, LSSU should expect to see the expense continue to grow. Increased costs could be substantial. In fact current plans by the State would increase the cost per employee from about 30-35% to 65% of base salary. When other benefits are accounted for, an employee making \$50,000 per year would cost LSSU \$100,000 per year.

Insurance:

LSSU has a number of insurance policies covering a wide range of claims and situations. Table 7 provides a listing of those policies. Insurance cost have risen about \$20K - \$25K per year for the last five years. LSSU should review these policies annually and plan to budget accordingly.

Reserve Funds:

LSSU maintains five Reserve Funds referred to as the "Insurance Reserves" within the Annual Financial Report (audit). As noted in the "Insurance" section of this document, LSSU holds a number of policies - many with deductibles. The institution should hold adequate reserves to pay for historically-expected and actuarially determined payments toward the deductibles. Additionally, LSSU should hold reserves for medical (health) insurance claims, since it is self-insured. Currently, LSSU holds a stop-loss policy of \$80,000 per employee per year. The largest deductible that LSSU must cover is for workers' compensation (\$550,000 per claim), and the deductible which is most commonly paid by LSSU is the health insurance claims (\$80,000 stop loss policy).

The University must provide payment, up to a maximum of \$550,000, for each workers' compensation claim and \$80,000 for each health insurance claim. The University purchases commercial insurance for workers' compensation and health insurance claims in excess of coverage provided by the self-insurance reserves. Settled claims have not exceeded this commercial coverage for at least the last ten years.

The University reserves an amount within the unrestricted net position for health and maintenance reserves and records a liability for workers' compensation insurance. These reserves are determined by MUSIC for losses relating to catastrophes and amounted to \$3,510,789 at the end of FY16. Table 8 shows the end of year fund balances for LSSU's Reserve Funds. LSSU utilized \$700,000 from the Workers' Compensation fund in FY15 to balance the GF. LSSU utilized \$500,000 from the Health Insurance Reserve fund in FY16 to balance the GF.

TYPE	CARRIER	DEDUCTIBLE	PREMIUM
Administrative Fee	Music	-	104,868
Auto	Music	-	8,886
Auto	Music	5,000	1,851
Auto	State Of Michigan Cars	-	2,354
Crime	Marsh/National Un-Pa	10,000	4,928
Cyber Risk-All Employees	Music/Beazley	100,000	8,200
Errors & Omissions	Music	44,023	29,828
Excess Errors & Omissions	Music/Federal/Chubb	-	10,334
Excess Workers Compensation	Music	550,000	43,817
Foreign Package (Liability)	Music/Chartis	-	1,275
General Liability	Music	11,003	5,185
Hull And Machinery	Marsh Usa Inc/Continental	1,000	7,282
Hull And Machinery	Marsh Usa Inc/Continental	2,500	4,540
Hull And Machinery	Marsh Usa Inc/Continental	100	
Intercollegiate Athletics	Specialty Insurance Solutions	250	44,786
Landlord Bond	Marsh/Continental Ca	-	3,222
Mal Practice	Music/Arch	-	6,959
Mal Practice Surplus Lines	Music/Marsh	-	174
Media Coverage	Music/Federal	25,000	3,950
One Day - Arts Center	Can Surety		50
One Day - Norris Bond Liquor (Multiple)	Can Surety		650
Pollution Liability-Env Risk	Music (Ace)	25,000	-
Postal Bond	Marsh/Continental	-	100
Property	Music/Various	50,000	114,865
Property Surplus Lines	Music	-	1,996
Student Accident-International	Student Assurance Services		33,614
Student Accident-Soccer Club			812
Travel Accident-Employee	Music/Charits	-	950
Umbrella (Excess Renewal)	Music	-	16,708
Underground Tank Storage	Ace-See Line 30 Polution Liability	100,000	8,035
Upward Bound - Accident	American Income Life		669
		923,876	470,888

Table 7: Insurance Policies/Coverages

The Workers' Compensation fund is funded through an LSSU determined percentage of payroll. This percentage could be adjusted as needed and would affect the GF and the year-end balance of the Workers' Compensation fund. The fund could also

Fund Code	Fund Title	2012	2013	2014	2015	2016
701	MUSIC-Insurance Reserve	254,513.14	254,416.14	254,416.14	251,671.06	251,347.48
731	Workers Comp	1,282,158.49	1,289,030.98	1,394,958.56	991,526.89	1,292,937.35
732	Unemployment Comp	179,735.71	218,353.66	192,788.56	174,148.93	189,263.68
733	Empl Tuition Waiver-Rebate	0.00	0.00	0.00	0.00	0.00
734	Health Insurance Res	1,669,173.98	1,694,809.57	1,708,170.11	2,285,600.05	1,777,240.76
	Grand Total	3,385,581.32	3,456,610.35	3,550,333.37	3,702,946.93	3,510,789.27

Table 8: LSSU Insurance Reserves (6-30-2016)

be reviewed at year-end and then adjustments could be made (via journal entry) to set the fund at a predetermined maximum; re-distributing excess funds back to the units that incurred the cost.

The Unemployment Compensation fund is funded through an LSSU determined percentage of payroll. This percentage could be adjusted as needed and would affect the GF and the year-end balance of the Unemployment Compensation fund. The fund could also be reviewed at year-end and then adjustments

could be made (via journal entry) to set the fund at a predetermined maximum; re-distributing excess funds back to the units that incurred the cost.

The Health Insurance Reserve fund is funded through an LSSU determined percentage of payroll after consultation with BC/BS. This percentage is based on actual LSSU data and current healthcare cost trends. This percentage could be adjusted as needed and would affect the GF and the year-end balance of the Health Insurance Reserve fund, and each employee (since employees pay a portion of their health care). The fund could also be reviewed at year-end and then adjustments could be made (via journal entry) to set the fund at a predetermined maximum; re-distributing excess funds back to the units that incurred the cost. In this case, there would be no benefit to the employees.

There may be opportunities for saving in this areas. Business Operations should conduct a review, in concert with payroll, to review the historical claims and set targets for fund balances within all reserve funds.

Another fund listed in [Table 8](#), is the Employee Tuition Waiver-Rebate fund. The Employee Tuition Waiver-Rebate fund is funded through an LSSU determined percentage of payroll. This fund has been adjusted to \$0.00 at year-end. This is because, historically, there have been insufficient funds within this fund. Therefore, the other reserve funds have been used to cover the difference.

[Table 9](#) is a good example of how [Table 8](#), in and of itself, is not sufficient to understand the history of the reserve funds. Careful review of the data behind the table is necessary. Some review of that data yielded the following information.

Fiscal Year	Fund	Repurposed	Amount
FY12	Workers' Compensation	Employee Tuition Waiver-Rebate	\$75,058.85
FY12	Health Insurance Reserve	Disbursed back to Units	\$1,000,000.00
FY13	Workers' Compensation	Employee Tuition Waiver-Rebate	\$62,849.73
FY13	Workers' Compensation	Disbursed back to Units	\$250,000.00
FY13	Health Insurance Reserve	Disbursed back to Units	\$750,000.00
FY14	Unemployment Compensation	Employee Tuition Waiver-Rebate	\$49,919.72
FY14	Health Insurance Reserve	Disbursed back to Units	\$550,000.00
FY15	Workers' Compensation	Balance General Fund	\$700,000.00
FY15	Unemployment Compensation	Employee Tuition Waiver-Rebate	\$48,613.19
FY16	Workers' Compensation	Employee Tuition Waiver-Rebate	\$57,634.37
FY16	Health Insurance Reserve	Balance General Fund	\$500,000.00

[Table 9: Disbursements from Insurance Reserves](#)

A significant amount of funds have been repurposed from the Insurance Reserve funds into other funds over the period reviewed. On average, approximately \$750,000 per year was transferred from the Reserve funds to other funds outside of the Reserves. Better management of the funds could result in having the funds available during the fiscal year, rather than after the year has ended.

Program & Course Fees:

In FY15, LSSU noted that the carryover of program and course fees (P/C-F) was not being fully funded on an annual basis. The dramatic increase in program fees (see Revenue) and underspending over several years has resulted in about \$1.1M in unfunded carryover. Although no academic unit has been denied the ability to purchase necessary equipment and/or supplies, some units felt it was necessary to fully fund the carryover. It will not be possible to correct this situation in any short-term fashion, however, there is general consensus that it is in the best interest of the institution if the program and course fees could be fully funded as future planning occurs. President Pleger charged the CAFÉ-Finance and CAFÉ-Academic committees to work to collaboratively review the data and present a recommendation for funding the fees going forward. Specifically the Committees were charged to:

- Review LSSU's existing program and course fee policies and make recommendations for future collection, budgeting, and distribution of program and course fees.

- Review the past budgetary practices related to program and course fees in terms of carry forward credits and make recommendations as to how deal with these unfunded carry forward credits.

A number of options were discussed by the Committees. Those included:

- Fund it immediately: Insufficient funds are available for this option since the GF is already at \$3.3M deficit.
- Clear the history and begin from zero: This would allow the funds to be fully funded from this point forward. Several units would be unhappy with the loss of funding.
- Use “designated” funds to capture the funds: This would significantly increase the paperwork and accountability required to access the funds.
- Create another FOAPAL (similar to PD Funds) to capture the funds: All GF units begin with “F” and 1000 except the PD funds. Business Operations might be able to create another GF FOAPAL to hold the course and program fees.
- Begin funding at 100% of revenue next year (FY18) and begin to increase funding the unfunded portion at a fixed rate for subsequent years: This would allocate all program and course fee revenue for FY18 plus a fixed amount above the actual revenue (maybe 5-10%) for each subsequent year, until the units are made whole.

The Committees’ Final recommendation to the President included the following language:

Upon reviewing the past budgetary practices associated with program and course fees along with the University's current financial status, the committees recognize that there is no way to fix the issue without impacting other areas of need. They recognize, though, that there is a need to demonstrate progress towards fixing a budgetary practice that has led to mistrust in order to start to build up that trust again.

To the two charges, the committees recommend that LSSU allocate 105-110% of the course and program fees collected in any given fiscal year to the units that collect fees, and continue to do so until the fees are fully funded. School budgeting units should be allocated up to 100% of the program and course fees (P/C-F) collected in any given year. Any remaining unspent P/C-F would be used to fund the current short-fall (estimated at \$1.17M for FY18). Unspent funds would be carried over or distributed as determined by the deans and chairs each year such that the short-term needs of programs are met (e.g. for any arising emergency expenses, any items that had been saved up for, etc.) while ensuring that the distributions are equitable to all programs in the long-term; historically, units have utilized an average of about 80% of the course fees collected each year, so it may be desirable for Schools to budget closer to this number in order to enable flexibility to address short-term needs. LSSU will ensure unspent funds are reserved and that program and course fees are tracked separately by School.

LSSU should strive to achieve the goal of fully funding the P/C-F in alignment with the recommendations made.

CFRE, Campaign & Planning Expenses:

The Center for Freshwater Research and Education (CFRE) capital outlay request was approved by the State of Michigan in 2016. Since the approval, a fund raising group and an engineering group have been working to move the project forward. It is expected that funds will be needed for engineering work and for fundraising efforts. The \$11.8M project is similar in scope to the South Hall Renovation Project (SHRP) which resulted in expenditures of about \$xx (I don’t have these costs) for engineering/architectural work and about \$55,000 for fundraising. LSSU should expect increased fundraising expenses for this project, but comparable to the SHRP fundraising campaign, over the next 2-3 years. Current short-term expenses include a final engineering study to be conducted as soon as possible to determine the integrity of the building, the shared wall, the land, and the canal from the building back to the Portage Street Bridge. At this writing, unbudgeted expenditures of \$25k (plus \$10k from ARL and \$35k from Cloverland Electric (it is not known if CEC is willing to participate in the costs of this study) are needed for FY17. For future years, LSSU should expect to budget about \$50k/year for fundraising - for two years. Another \$35k will be needed for opening the building (for ground breaking & dedication events) and about \$150k/year will be needed for utilities and general maintenance.

Abatements:

The General Fund exists to support LSSU's primary business function, while the Auxiliary funds exist to provide activities that are generally maintained with revenue from their own operations. Auxiliaries include: units providing medical services, housing, athletics, food service, parking, as well as units providing special services to students, faculty, and staff.

Examples of revenue sources include:

- Room and board charges for student housing
- Usage fees for student centers and facilities
- Sale of student books and supplies
- Ticket sales for athletic events
- Charges for health care services
- Parking permit fees

At times, an auxiliary area will make use of a service provided by the General Fund and it is expected that the area would pay for those services. LSSU has a long history of such a practice within the custodial, plant, and trades areas. These units monitor, track, and bill (via chargebacks) for auxiliary use of their services; resulting in an abatement of salaries, fringes, and supplies.

An analysis of the relationship between the General Fund and Auxiliary funds has not been conducted in several years and no documents exist within Business Operations to support current practice. Therefore, the CFO conducted a review of expenditures and existing funding splits in an effort to support a proposal for FY18 and future years.

In an effort to document how LSSU would account for the Auxiliaries' use of General Fund supported units, it was determined that a financial review of historical records be conducted. The review would determine which Auxiliary units would be included in the process, determine which General Fund units would be included in the process, propose a method for distribution (cost sharing) between the participating Auxiliary units, and propose the method for splitting the costs between the General Fund and Auxiliaries.

General Fund Units Included:

The auxiliaries make use of several other areas on campus where there has historically been little tracking or accounting for abatements. Those areas include: Business Office Administration, Human Resources, Information Technology - Administrative Computing, Safety-Security, Purchasing Office, Receiving-Fleet-Stores, Labor Relations, and Web Support. Audited financial data from FY13-16 was reviewed and averaged to determine the total expenditures for those areas. The yearly expenditures ranged from \$2.53M to \$2.90M per year. The average expenses were calculated as about \$2.7M per year. A four-year summary of the actual expenditures for those areas is shown in Table 10.

If these units tracked the amount of time spent and resources used to serve auxiliary units, then those units could abate the costs.

However, this would be

extremely time-consuming. An alternate method which is commonly utilized is to abate the costs using a proportion of overall expenditures.

Sum of Subtr		Year				Grand Total
Org	Org Desc	FY13	FY14	FY15	FY16	
10610	Business Office Administration	506,999	521,809	500,976	548,491	2,078,275
10630	Purchasing Office	176,258	171,918	183,844	191,107	723,127
10632	Receiving-Fleet-Stores	63,757	51,386	55,767	58,239	229,149
10650	Human Resources	273,753	305,698	315,249	385,891	1,280,592
10652	Labor Relations	2,177	196,657	130,152	35,313	364,299
10660	Information Tech-Admin Computer	928,931	1,012,957	1,012,957	1,064,996	4,019,841
10670	Safety-Security	488,917	477,294	485,511	510,134	1,961,856
10685	Web Support	88,193	90,390	93,918	109,427	381,928
Grand Total		2,528,984	2,828,109	2,778,375	2,903,598	11,039,067

Table 10: GF Units Providing Services

Auxiliary Units Included:

The units (actually categories) that were selected for this review were chosen because they make significant use of General Fund units and because LSSU's year-end Fund Balance Reports use these categories. These categories are Housing, Food Service, Athletics, Student Life, and Other (Table 11). The values in the table are the total expenditures by each unit. The sum of the expenditures make up the total auxiliary expenditure for the year. Details regarding the values shown in Table 11 can be requested from Business Operations (Year-End Fund Balances for Auxiliary).

The final column in the table (Percent) denotes the percent of that unit's expenditure - relative to the overall expenditures in Auxiliaries (Food Service makes up 38.1% of all Auxiliary expenditures).

Area	2013 Expense	2014 Expense	2015 Expense	2016 Expense	Percent
Housing	2,577,636.42	2,725,075.73	2,575,889.40	2,560,052.83	23.7%
Food Service	4,080,738.19	4,082,853.98	4,167,680.98	4,482,939.64	38.1%
Athletics	2,118,977.31	2,342,950.31	2,539,645.21	2,372,408.20	21.2%
Student Life	429,536.49	416,369.09	413,876.18	378,870.58	3.7%
Health Care Center	529,736.45	532,748.32	598,736.48	595,437.26	5.1%
Other	1,015,750.04	872,722.02	966,345.39	744,686.09	8.2%
Total	10,752,374.90	10,972,719.45	11,262,173.64	11,134,394.60	100%

Table 11: Auxiliary Units Using GF Services

Analysis and Results:

As noted earlier, a method which is commonly utilized to determine auxiliary abatement uses a proportion of overall expenditures. Simply stated; if the total Auxiliary expenditures made up 20% of the institution's budget then each of the eight GF units mentioned earlier (Business Office Administration, Human Resources, Information Technology - Administrative Computing, Safety-Security, Purchasing Office, Receiving-Fleet-Stores, Labor Relations, and Web Support) would see a 20% abatement from auxiliary units. In other words, they would see a reimbursement from the Auxiliary units. For LSSU, the analysis yielded an abatement range of 24.3% to 24.5% over the last four years, with an average of 24.4%. Since the analysis is fairly detailed, it can be reviewed in Business Operations. This means that the six Auxiliary units denoted should be providing an abatement of 24.4% (\$634,062.37 per year) to the eight General Fund units denoted.

As the validity of such a process was examined, staff within Business Operations determined that only ½ of the Labor Relations expenditures should be subjected to abatement. It was also determined that the VP of Human Resource's salary should be removed from the GF expenditures as well. The validity of the underlying premise (use of a straight percent) was also discussed. It was determined that moving to any abatement methodology (compared to doing nothing) was needed and that anecdotal information from these units supported the need to move to some abatement process. For instance, it was found that Auxiliary units makes up far more than 50% of all the payroll authorizations (HR activity) and that Housing, Food Service, and Athletics make up at least 25% of all purchase requisitions (Business Operations, Purchasing, and Receiving).

Having determined the value of the abatement (\$634,062.37 per year), it was decided that the cost to each Auxiliary unit be prorated to expenditures within that unit. For example, from Table 12 it was determined that Housing should be providing \$150,011.53 in support of GF activities (within the eight GF units denoted).

Area	Percent	Abatement
Housing	23.7%	150,011.53
Food Service	38.1%	241,633.22
Athletics	21.2%	134,711.35
Student Life	3.7%	23,548.70
Health Care Center	5.1%	32,429.93
Other	8.2%	51,727.65
Total	100%	634,062.37

Table 12: Abatements Owed by Unit

As it turns out, the Auxiliaries are providing some support to GF units already. This is via auxiliary funded staffing that currently oversee GF units. For instance, Norris Center Operations (a GF unit) are being overseen by individuals funded from Auxiliary areas. Credit for these services was subtracted from the abatement values to yield the following final abatement amounts (Table 13).

The final amount (\$510,573.28) represents Auxiliary funds not currently being transferred (abated) to the GF. Auxiliary units should plan to begin seeing abatements being phased in over the next few years.

Unfortunately (for the General Fund), some of the abatements will never be realized. Athletics is really an Auxiliary unit that is funded by the General Fund via a transfer. In order to see an abatement, LSSU would need to increase the transfer to Athletics by an amount equal

Area	Percent	Abatement	Balance
Housing	23.7%	150,011.53	94,401.78
Food Service	38.1%	241,633.22	217,443.49
Athletics	21.2%	134,711.35	134,711.35
Student Life	3.7%	23,548.70	23,548.70
Health Care Center	5.1%	32,429.93	20,414.38
Other	8.2%	51,727.65	20,053.58
Total	100%	634,062.37	510,573.28

Table 13: Adjusted Abatement Owed by Unit

to the abatement. This may seem a bit peculiar, but it would more accurately reflect the cost of Athletics. Food Service currently has a \$1.18M deficit. Expecting any abatement in the near future may not be feasible. Finally, the agreement with the Health Care Center provides a \$1,000/month rental fee for use of the building. This would leave about \$8,000 for abatement from that unit - if pursued.

Athletics:

No analysis of Athletics is being presented at this time. Although a significant transfer for the GF to Athletic is needed in order to support the unit, the unit is by current definition - an Auxiliary unit. Information and recommendations will be presented at a later date.

Decentralized Budgets (CSSM Allocations):

True budget decentralization would require significant effort on behalf of LSSU and there are many sources that indicate the Institution's size is too small for real benefit from such a move. However, there are some areas where lump-sum funding can be allocated to a unit (or units) for disbursement. After disbursement, the VP/Director for the area would report the actual unit disbursements within the budgeting system. It has been suggested that one area for consideration in the FY18 budget cycle is the allocation of carryover, P/C-F, and CSSM to academics. Rather than allocation from the Business Operations, the lump-sum allocation would be made to the Provost for discussion among the dean/chairs for disbursement. The idea has merit since these allocations have not been reviewed for nearly 10 years and the degree of integration among the degree programs could allow for some re-purposing of the carry-over funds to units that provide support for the programs receiving program fees.

Good information on decentralized budgets can be found at:

<http://www.temple.edu/cfo/decentralized-budgeting/how-model-works.html>

<http://www.temple.edu/cfo/decentralized-budgeting/what-is.html>

Online Instruction:

LSSU charges a \$100/course fee for distance education. As defined:

Distance Education Fee: This \$100 per-course fee is used to offset the costs of non-traditional modes of instruction, including any course listed as online, interactive T.V., or courses recorded for future distribution and viewing.

It has been requested that LSSU discontinue the fee under the claim that the fee is not consistent with how other institutions operate. Business Operations has not reviewed the claim at this time, however the revenue generated by the fee is about \$50,000 per year. If removed, LSSU would need to cut expenses or generate additional revenue to make up the difference. No action is recommended until a thorough analysis of the cost/benefit is conducted, since loss of the revenue cannot be absorbed at this time.

General Fund Deficit:

Given the history of the Institution's inability to pay down the previous 2002 deficit of \$1.2M over a fourteen year period, LSSU should not expect the current deficit of \$3.3M to be aggressively reduced. It is recommended that at least \$100,000 per year for FY18-FY20 be allocated to reduce the General Fund deficit.

Food Services Deficit:

Food Services (an Auxiliary unit) currently has a \$1.18M deficit. A plan to address this deficit needs to be drafted by Sodexo and LSSU staff (Scott Korb and Matt Jurvelin). Business Operations will request a plan be developed in the FY18 budget cycle once the new Sodexo staff have had some time to become acclimated to LSSU and Sodexo operations on the campus.

Other Fund Deficits:

A number of funds are currently denoted as “in deficit” as of June 30, 2016 (year-end fund balance). Business Operations plans to meet with appropriate staff to discuss these deficits, and request plans for elimination of those deficits. Those funds in deficit are shown in Table 14.

Financial Aid Leveraging:

As previously noted, many believe that the institution’s greatest potential to increase enrollment lies within its ability to leverage its financial aid (tuition discounting) in order to attract larger numbers of students paying a greater share of the tuition through need-based aid. It was suggested that external firms be reviewed for their ability to analyze LSSU data using predictive analytics to guide the Financial Aid department in this effort.

Fund Code	Fund	Balance
3900	Club Sports	(7)
151007	Hunt Creek Project	(562)
1202		(1,385)
1K13		(1,638)
1M09		(4,718)
3740	Golf Simulator Project	(4,822)
3711	Hockey Activities	(4,844)
3810	Student Life Office	(7,310)
3733	Track Activities	(27,686)
151080	Superior Edventures	(43,536)
3761	Hockey Camps	(49,248)
151172	Engineering Prototype Developmt Ctr	(225,977)
9024	Business Bldg Planning-Construction	(240,949)
3700	General Athletics	(451,385)
3200	Walker Cisler Ctr-Food Services	(1,181,020)
1000	General Fund	(3,313,378)

Table 14: LSSU Funds with End-of-Year Deficits

According to the LSSU Annual Financial Report for the fiscal year ending June 30, 2016, \$14,444,282 is noted as the Tuition and Fee Revenue (net of scholarship allowances of \$7,656,870). This means that about 35% of the actual tuition and fee revenue generated was turned back to the students in the form of tuition discounting.

Fiscal Year	Scholarship	Tuition and Fees	Percent	Enrollment	\$/Student
2007	4,542,183	12,710,623	26.33%	2517	1,804.60
2008	5,153,957	13,779,844	27.22%	2580	1,997.66
2009	5,812,986	14,600,870	28.48%	2520	2,306.74
2010	6,694,941	14,060,741	32.26%	2643	2,533.08
2011	7,815,998	15,078,886	34.14%	2750	2,842.18
2012	7,832,429	16,309,655	32.44%	2489	3,146.82
2013	7,922,303	15,342,873	34.05%	2347	3,375.50
2014	7,562,339	15,628,884	32.61%	2260	3,346.17
2015	8,361,379	15,160,349	35.55%	2141	3,905.36
2016	7,656,870	14,444,282	34.64%	2100	3,646.13

Table 15: Tuition Discount Rates

Reviewing the ten-year trends (Table 15) associated with tuition discounting at Lake Superior State University, the following was found:

- The percent of tuition and fees returned to students in the form of tuition discounting has grown from about 26% to 35%.
- Given the declining enrollment, the average amount provided to each student has doubled.
- Total scholarship (tuition discounts) funding by LSSU has remained fairly consistent over the last six years.

Obviously, the trend is not sustainable for LSSU. However, from a student’s point of view, LSSU has not kept up with offsetting increased cost - and this does not include the cost of fees (already denoted as the number one source of increased revenue for LSSU). Tuition has increased about \$3,650 over the same period, meaning student costs are going up (Table 16).

One of the largest areas in which tuition discounting is occurring is in athletics. Of the total amounts denoted as tuition discounts, in any given year Athletics is allocated between \$1.20M and \$1.35M as Grant-in-Aid for athletes. Given that there are about 220 athletes in any given year, this amounts to

Year (fall)	Tuition	% Increase	24 Credits
2006	273.25	-	6,558.00
2007	299.00	9.4%	7,176.00
2008	326.00	9.0%	7,824.00
2009	341.00	4.6%	8,184.00
2010	361.00	5.9%	8,664.00
2011	386.00	6.9%	9,264.00
2012	397.50	3.0%	9,540.00
2013	410.00	3.1%	9,840.00
2014	422.00	2.9%	10,128.00
2015	433.00	2.6%	10,392.00
2016	451.00	4.2%	10,824.00

Table 16: LSSU Tuition Increases

about \$6,000 per student - well above the amount given to a non-athlete. In addition, athletes are awarded need- and merit-based scholarship on top of the Grant-in-Aid (Table 17).

There is no intent to level the field through this discussion. It is merely a matter of disclosing the effects of tuition discounting. It is recommended that LSSU move toward a 30% tuition discount rate, and better leverage those funds for a greater return on investment or that it utilize the Foundation to raise additional funds for yearly awards.

For the purposes of discussion, Table 18 provides the comparison of tuition discount rates for the public universities in Michigan. These value were taken from each institution's annual financial report. Maintaining enrollment at a 30% discount rate would increase revenue by about \$1M.

	2012	2013	2014	2015	2016
Athletic Grant in Aid	1,187,284	1,234,922	1,328,866	1,431,067	1,355,454
Athletic Grant in Aid-Books	17,449	28,254	27,328	34,221	20,305
Athletic Grant in Aid-Meal Plan					8,910

Table 17: Grant in Aid Allocation over Time

University	Tuition	Scholarship allowances	Discount
LSSU	22,101,152	7,656,870	34.6%
MTU	127,627,805	36,498,154	28.6%
NMU	80,264,510	20,898,000	26.0%
UM	1,502,202,000	340,459,000	22.7%
SVSU	92,938,201	20,813,513	22.4%
EMU	229,278,118	50,051,522	21.8%
OU	251,856,283	51,835,200	20.6%
FSU	157,582,752	32,042,612	20.3%
WMU	289,485,517	56,936,598	19.7%
CMU	273,373,822	51,899,421	19.0%
WSU	365,898,197	66,304,712	18.1%
GVSU	300,496,733	51,229,971	17.0%
MSU	952,448,000	122,072,000	12.8%

Table 18: Comparison of Tuition Discount Rates

Hanover Research:

On January 9, 2017, LSSU entered into a relationship with Hanover Research. Hanover Research provides high quality, custom research and analytics through that helps clients in the corporate, education, and healthcare sectors make informed decisions, identify and seize opportunities, and heighten their effectiveness. The partnership with Hanover will provide LSSU with access to a team of researchers, survey experts, analysts, and statisticians with a diverse set of skills in market research, information services, and analytics. LSSU plans to immediately utilize Hanover to enhance enrollment initiatives. This will be followed by either a study of retention or a study to determine the best way to leverage financial aid (LSSU's tuition discounting practice).

HANOVER RESEARCH CORE CAPABILITIES AND TIMELINES

Higher Education

Our research teams provide strategic insights into key higher education priority areas using a variety of research methods, helping deans, chief financial officers, and provosts make informed decisions, identify and seize opportunities, and heighten their effectiveness.

MARKET EVALUATION (4-10 Weeks)	QUANTITATIVE AND QUALITATIVE ANALYSIS (5-12 Weeks)	SURVEY DESIGN, ADMINISTRATION, AND ANALYSIS (6-12 Weeks)	BENCHMARKING AND LITERATURE REVIEW (6-12 Weeks)
<ul style="list-style-type: none"> Enrollment trends and forecasting Product reviews Market sizing Situation assessment Campus feasibility Academic program demand 	<ul style="list-style-type: none"> Data mining segmentation Rankings position assessment Program evaluation Predictors of student attrition Enrollment projection modeling Economic impact assessment* 	<ul style="list-style-type: none"> Alumni surveys Employer needs and satisfaction Parent and current student surveys Non-matriculating students Tuition sensitivity Public perception and awareness Brand perception 	<ul style="list-style-type: none"> Peer and aspirant group development and comparisons Administrative and academic unit comparisons Topical analysis and evaluation Best practices Case studies

Figure 9: Hanover Research: Core Capabilities

For the enrollment initiative, LSSU will ask Hanover to review historical applicant data as well as enrollment data to determine correlations between the two data sets - resulting in better defined, prioritized datasets for Enrollment Management staff. This activity is late in the "funnel" and its impact (although small) will be realized in F17 enrollment. It is not expected that this activity will have a large impact on FY18 enrollment, but it could help stabilize the enrollment for the fall of 2017.

A longer-term strategy will be to engage Hanover in a similar study that focuses on prospects, inquiries and purchased datasets. These individuals have not applied to LSSU and may not have even heard of LSSU. LSSU would consider these individuals to be very early in the “funnel”. LSSU currently does not have sufficient resources to aggressively identify and prioritize these individuals; leaving recruiters with little information for their recruitment efforts.

In this study Hanover will carefully study the LSSU student profile; looking at characteristics/demographic markers/ experiences/etc of successfully recruited students. Such items might include: distance from campus, times visited campus, SAT score, financial aid awarded, size of high school, summer camp attendance, charter school attendance, sibling attended LSSU, degree program of interest, etc. These characteristics will then be used to develop a model (using predictive analytics) to determine which prospects and inquiries are high profile targets. As LSSU uses the model, it can be fine-tuned and expanded for use in new markets. Information generated by the model will be used by recruiters to best utilize their time and efforts.

The model could also be used/modified to examine student characteristics of specific programs. If LSSU desired to target increasing enrollment in specific programs, the model could target those programs and the characteristics of student most likely to be interested in those programs.



Figure 10: Traditional Enrollment Funnel

Revenue Projections (FY18 - FY20)

Before projecting future years' revenue, a review of the current year's revenue was conducted. If the method used to project the FY17 revenue was accurate, then LSSU should be able to use a similar method for FY18 and beyond. The results, as of January 2, 2017, are provided in [Table 19](#).

Note: a negative value means the actual revenue exceeded the budgeted revenue.

The institution appears to be on-track to realize (and exceed) its projected revenue for FY17. In fact, Business Operations projects the tuition revenue will be up to 1.5% greater what was projected.

Examining the larger outstanding balances yielded the following. The \$443,824 (account 5101) is expected to be realized via summer tuition. The \$6.7M (account 5801) will be realized from State allocations for January-June. Those are the two largest outstanding revenue streams.

Based on the data presented throughout this document, the following statements and/or recommendations were noted earlier in the "Analysis of Historical Revenue/Enrollment" discussion. These will be used to estimate future revenue.

- LSSU should expect to see 2% - 3% increases in its State allocation over the next few years (allocations consistent with the CPI).
- LSSU should plan to limit its future tuition increases to 2% - 4%.
- LSSU should limit increases in program and course fees.
- LSSU should expect a decrease in enrollment for FY18 and allocate resources to stabilize enrollment in FY19.
- Given the projected decrease in student numbers, LSSU should plan to make significant progress in international and out-of-state recruitment if stable enrollment in FY20 is desired.

Account	Description	Budget	YTD	Difference
5101	Resident Tuition	19,459,426	19,015,602	443,824
5102	Non Resident Tuition	1,013,634	1,008,712	4,922
5103	Midwest Consortium Tuition	631,670	627,306	4,364
5104	Distance Ed Tuition	55,956	29,063	26,893
5105	Military Tuition	105,150	67,167	37,983
5110	Graduate Tuition	7,080	11,407	(4,327)
5120	Credit by Exam	450	450	-
5141	Program Fee	662,426	673,682	(11,256)
5142	Activity Course Fee	11,395	9,795	1,600
5143	Regional Center Fee	23,923	20,583	3,340
5240	Local Grants and Contracts	-	25,000	(25,000)
5520	Special Course Fees	500,000	586,653	(86,653)
5522	Application Fees	37,000	24,220	12,780
5523	Enrollment Fees	90,000	82,625	7,375
5524	Transcript Fees	9,500	4,521	4,979
5527	Distance Education Fees	73,000	45,900	27,100
5528	Foreign Study Fees	20,000	37,266	(17,266)
5531	Library Fines	1,000	271	729
5541	Admission-Concerts	20,000	31,289	(11,289)
5542	Admission-Planetarium	100	-	100
5564	Collegiate License Royalties	7,000	-	7,000
5575	Alpha Chi Memberships	-	190	(190)
5580	Norris Memberships	21,000	6,952	14,048
5581	Norris Guest Fees	7,400	3,886	3,514
5582	Norris Rent-Gym	3,000	-	3,000
5583	Norris Rent-Handball Ct	2,000	1,238	763
5584	Norris Rent-Ice	75,000	31,139	43,861
5585	Norris Rent-Pool	10,000	465	9,535
5586	Norris Rent-Rec Equipment	4,500	1,654	2,846
5591	Norris Misc Fees	1,500	670	830
5601	Rent-Facilities	29,364	16,192	13,172
5604	Rent-Other	5,400	1,950	3,450
5613	Late Fees	60,000	49,400	10,600
5614	Installment Payment Fees	30,000	17,760	12,240
5616	NSF Fees	850	380	470
5621	Bad Debt Recoveries	5,000	7,113	(2,113)
5630	Miscellaneous	45,000	11,894	33,106
5641	Indirect Cost Recovery-Federal	35,000	30,774	4,226
5643	Indirect Cost Recovery-Private	25,000	5,698	19,302
5645	Fin Aid Admin Reimbursement	38,000	70	37,930
5801	State Appropriation-GF	13,407,400	6,703,698	6,703,702
5821	Pooled Investment Income	75,000	-	75,000
Total		36,609,124	29,192,634	7,416,490

Table 19: Updated FY17 Revenue Projections

A table (Appendix H) was developed which shows the historical revenue (FY13-FY16), the budgeted revenue for FY17, and projected revenue for FY18-FY20...given assumed changes in State Appropriations, Enrollment, and Tuition Rates.

Assumptions used in revenue projections are shown in the following tables. The appropriation estimates are generally toward the low side of the expected window, tuition increases are in the middle of the expected window, and enrollment is stable (to slightly decreasing) after a decline in FY18. Using a worst-case/best-case scenario approach, different amounts were loaded into the table to generate a range of results: expected, worst-case, best-case.

Expected Revenue:

	FY18	FY19	FY20
Appropriations	1.90%	2.40%	2.75%
Tuition	3.50%	3.00%	3.00%
Enrollment	-3.00%	0.00%	-1.00%

Table 20: Best Estimate: Revenue

every percent increase in enrollment is expected to yield about \$225,000 of additional revenue. A 1% change in State appropriations equals about \$130,000, and a 1% change in tuition is about \$200,000. This is currently the best estimate of revenue for FY18 - \$36,900,000 (\$36.9M).

Given the noted assumptions, the projected (expected) revenue increases will not be sufficient to fund all the items discussed in the expenditure areas. Appendix H shows the resulting values. Given these estimates, LSSU would realize an increase in revenue of about \$300,000 for FY18; this is followed by \$400,000 increase in each of the subsequent years. For FY18,

Worst-Case Scenario Revenue:

	FY18	FY19	FY20
Appropriations	1.90%	1.50%	2.00%
Tuition	3.25%	2.00%	2.50%
Enrollment	-5.00%	-2.00%	-5.00%

Table 21: Worst Case Estimate: Revenue

For instance if a worst-case scenario were developed such that the following changes were expected, then LSSU would see a \$175,000 decrease in revenue for FY18. The worst-case scenario has the biggest impact on FY19 and FY20; revenue for all three years is essentially flat. Early information from the State gives LSSU good confidence that the worst-case and expect-case scenarios do not differ much in terms of appropriations and tuition caps. The real unknown is enrollment.

If a worst-case/best-case scenario approach is used, then different amounts can be loaded into the table to generate a range of results. In this scenario, all three major revenue streams decrease over the next three years. LSSU would see the tuition cap limitations become more restrictive, reduced funding from the State, and continued declines in enrollment.

Best-Case Scenario Revenue:

	FY18	FY19	FY20
Appropriations	2.20%	4.00%	4.00%
Tuition	3.80%	3.50%	3.25%
Enrollment	-2.00%	1.00%	1.00%

Table 22: Best Case Estimate: Revenue
population of students expected that year.

Likewise, given the following best-case values, LSSU would see a \$680,000 increase on revenue for FY18.

In this scenario, State appropriation increase on a yearly basis, but restrictions on the tuition cap are phased in more slowly over the next few years. LSSU is also able to see a flat enrollment for FY20 given the declining

In any event, the institution should expect a small, to modest, increase in revenue for FY18 provided the enrollment estimates are accurate. The VP for Finance will work with the Finance Committee of CAFÉ, as well as other appropriate units on campus to fine-tune the model and estimates.

With so little additional revenue being realized via tuition, fees, and allocations, the need for other revenue streams or the need to enhance existing revenue streams (Arts Center, Norris Center Operations, etc.) becomes very apparent. For instance, the Art Center is projected to double its FY16 revenue in FY17. This is an additional \$20,000 for the General Fund. Just that increase alone makes up 6% of the overall expected increase for FY18. If additional units were able to make similar gains, the impact would be significant for LSSU in a time of stable to decreasing enrollment.

Expenditure Projections (FY18 - FY20)

Based on the data presented throughout this document, the following statements and/or recommendations were noted earlier in the “Analysis of Historical Expenditures” discussion. These will be used to estimate future expenditures and in the development of future plans. This first set of items has been deemed as “necessary” for inclusion. They are essentially the most important Drivers” for the FY18 budget cycle.

- LSSU should continue to reduce salary and fringe costs; setting a target of 64%-65% of GF expenditures. This would amount to a reduction of \$300,000 - \$500,000, depending on overall budget.
- The Infrastructure and Capital Improvement budget was cut substantially in FY17.
 - \$500,000 for general maintenance should be allocated in FY18.
 - \$60,000 should be allocated for CFRE planning in FY18.
 - An additional \$75,000 should be allocated to Physical Plant operations for Considine Hall in FY18
 - \$150,000 should be allocated (to be reimbursed as utilized) to the Foundation for the CFRE fundraising effort.
- A one-time allocation of \$580,000 was provided to IT for infrastructure upgrades. The request was for \$2.6M over 5-7 years. An additional allocation of \$250,000 in FY18 should be made if LSSU desires to continue its upgrade of IT infrastructure. Infrastructure upgrades include network switches, wireless access points, servers and storage arrays, phone and voicemail systems, data center firewalls, computer leases, and related equipment.
- LSSU should plan to fund the debt service schedule provided in Appendix F.
- LSSU should review the institutionalization of Title III activities and submit a budget request - without substantially increasing the cost to LSSU.
- Utilities should be budgeted as follows:
 - Natural Gas: Plan for a 0% - 2% increases per year.
 - Gas & Oil: Plan for a 0% increase for FY18.
 - Water: Plan for a 1% - 3% increase per year.
 - Electricity: Plan for a 2% - 4% increase per year.
- Raises: LSSU should plan for 0% - 1% raises for FY18. If enrollment stabilizes, then additional (and larger) increases could be realized in subsequent years. Raises should be scheduled and mathematically connected to enrollment and occur after fall enrollment number are known.
- Health Care: LSSU should plan to see Health Care costs increase 3% - 5% per year.
- MPSERS: LSSU should plan to budget an additional 10% for these costs in FY18. Actual costs will be a function of actuarial projections and market performance.
- Abatements: Auxiliary units should plan to see increased abatement costs in each year of about \$100,000.
- LSSU should plan to fund staffing needs in relation to new programs or initiatives related to new enrollment markets. Realizing returns from new markets identified by Recruitment and Retention are not practical without strategies in place that may include new staffing.

The remaining items should be added into the budget after incorporation of the essential “Drivers”.

- If possible, LSSU should set aside funds for some aspect of the Master Plan.
- If possible, funding should be set aside for initiatives resulting from CAFÉ.
- A one-time allocation of \$580,000 was provided to IT for infrastructure upgrades. The request was for \$2.6M over 5-7 years. An additional allocation of \$250,000 in FY18 should be made if LSSU desires to continue its upgrade of IT infrastructure. Infrastructure upgrades include network switches, wireless access points, servers and storage arrays, phone and voicemail systems, data center firewalls, computer leases, and related equipment.
- LSSU should plan to budget an additional \$250,000 - \$300,000 for program and course fees in FY18 and an additional, \$50,000 - \$100,000 in FY19 and FY20.

Financial Plan (FY18)

In an attempt to pictorially convey the budgeting process for FY18, Figure 11 is provided. There are four columns. The first column denotes the budgeted amounts for FY17. Using these as a starting point, several “somewhat” known (preliminary, estimated values, expected changes, somewhat necessary or justified changes) were applied. These were all deemed as “necessary adjustments” needed to move the FY17 budget to FY18 - while providing repurposed funds for institutionally desired initiatives. They are referred to as the “Driving Assumptions”. These might also be considered the recommendations for developing the FY18 budget.

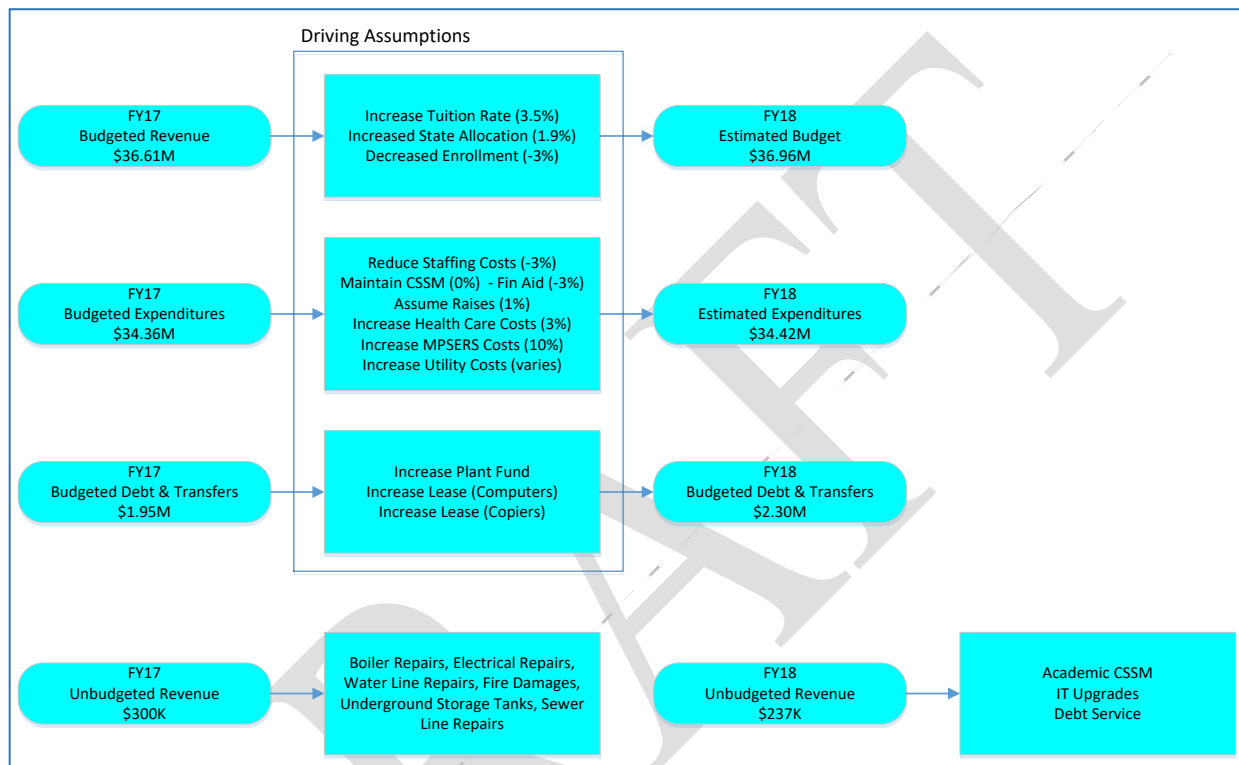


Figure 11: Overview of FY18 Budgeting Process

Specifically, these Driving Assumptions are:

- Maintain the total expenditures near the same level as FY17 (~ \$34,400,000).
- Assume 10% increase for MPSERS Retirement (Account Code 6721).
- Assume 10% for MPSERS Retirement - Nonmember (Account Code 6723).
- Assume 1% salary raise (all groups).
- Assume 1% increase in all associated fringes (to match raises).
- Assume 3% increase in Health Insurance (Account Code 6731).
- Assume 5% increase in all Student Labor categories.
- Maintain all 7xxx expenditures at FY17 levels.
- Hold salary and fringe costs to about 64% of budget.
- Increase funding to the Plant Fund
- Increase funding to cover new copiers and computers.
- Account for various utility increases.

The third column of Figure 11 shows the results of applying the Drivers to the FY17 budgets. A slight increase in revenue is realized. Expenditures are fairly flat while debt and transfers is increased. About \$237K of unbudgeted revenue would then be available to fold into the highest institutional priorities.

Three scenarios have been provided to show different perspectives of how these recommendations might be realized.

Scenario One:

In this scenario, we use the Program definitions as used in the Business Office and within our Annual Financial Reports. Programs are a type of “functional classification” used with the audit. The concept of “Programs” within the financial context was provided earlier within the document. This strategy would require staffing cuts in Program 10 (Instruction) in order to achieve the target of no additional expenditures. Program 55 (Financial Aid) would also see cuts to adjust to the lower number of students served. From a “Program” point of view, we might have:

Sum of Year to Date	Fiscal Year										Budget		Percent
Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Change	
10	11,858,449	12,795,497	12,934,904	12,495,107	12,649,774	12,754,437	12,809,405	12,808,549	13,078,613	12,554,123	12,554,123	0.00%	
20	139,147	146,218	172,146	145,388	160,369	138,201	146,223	147,460	208,706	189,508	194,246	2.50%	
40	2,895,554	2,794,115	2,961,574	3,117,108	2,993,014	3,122,832	3,117,284	2,975,761	2,968,514	3,106,088	3,161,998	1.80%	
50	2,280,982	2,391,428	2,425,179	2,519,879	2,505,621	2,521,459	2,492,232	2,509,385	2,607,771	2,211,043	2,255,264	2.00%	
55	3,560,159	3,677,291	3,739,358	4,167,917	4,395,473	4,635,973	4,974,315	5,517,223	4,820,254	5,437,850	5,263,839	-3.20%	
60	4,956,290	5,692,309	4,901,036	5,148,082	5,053,992	5,141,538	5,452,400	5,414,988	5,718,189	5,665,428	5,693,755	0.50%	
70	4,724,145	4,837,455	4,669,725	4,892,947	4,998,232	4,766,188	5,232,892	5,270,199	5,168,994	5,194,157	5,365,564	3.30%	
Grand Total	30,414,726	32,334,314	31,803,922	32,486,428	32,756,475	33,080,629	34,224,752	34,643,565	34,571,041	34,358,197	34,488,788	0.38%	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Instruction (10)	39%	40%	41%	38%	39%	39%	37%	37%	38%	37%	36%		
Research (20)	0%	0%	1%	0%	0%	0%	0%	0%	1%	1%	1%		
Academic Support (40)	10%	9%	9%	10%	9%	9%	9%	9%	9%	9%	9%		
Student Services (50)	7%	7%	8%	8%	8%	8%	7%	7%	8%	6%	7%		
Financial Aid (55)	12%	11%	12%	13%	13%	14%	15%	16%	14%	16%	15%		
Institutional Support (60)	16%	18%	15%	16%	15%	16%	16%	16%	17%	16%	17%		
Physical Plant (70)	16%	15%	15%	15%	15%	14%	15%	15%	15%	15%	16%		
Transfers (Debt)	2,311,324	2,561,591	2,891,983	3,741,144	2,958,652	3,470,651	2,687,027	3,202,510	4,795,088	1,951,038	2,300,000		
Total Expenditures	(32,726,051)	(34,895,905)	(34,695,904)	(36,227,573)	(35,715,127)	(36,551,280)	(36,911,779)	(37,846,074)	(39,366,129)	(36,309,235)	(36,788,788)		
Total Revenue	34,064,081	34,727,939	34,851,634	36,655,214	36,029,161	36,606,650	36,812,855	37,696,919	36,742,910	36,609,124	36,955,822		
Fund Balance	(947,472)	(1,115,438)	(959,709)	(532,067)	(218,032)	(162,663)	(261,587)	(410,742)	(3,033,960)	(2,734,071)	(2,567,037)		

Table 23: Proposed Expenditures by Program (Functional Classification)

Scenario Two:

A second scenario uses salary/supplies approach which closely aligns with how the institution presents its budget to the Board of Trustees and to external agencies. This strategy would also require staffing cuts, but they could occur across all programs. Program 55 (Financial Aid) would also see cuts to adjust to the lower number of students served. Since scholarship expenditures within Financial Aid are budgeted with the 7xxx account codes, these cuts appear in the supplies budget as a reduction of 1.2%. From a Salary/Supplies viewpoint, we have:

	2008	2009	2010	2011	2012	2013	2014	2015	2016	Budget 2017	2018	Percent Change
Permanent Salaries	12,204,842	12,890,665	12,831,347	12,599,687	12,434,657	12,821,000	12,733,683	13,137,685	13,081,363	12,541,113	12,164,880	-3.00%
Adjuct/Overload	820,467	737,819	657,106	684,122	818,950	686,204	771,559	816,130	804,886	646,993	659,933	2.00%
Summer Faculty	472,959	415,686	382,766	411,671	404,995	343,437	316,757	368,682	326,277	276,250	281,775	2.00%
Student	652,854	668,138	615,524	623,127	676,176	716,616	687,438	680,229	649,710	559,585	587,564	5.00%
Special Assignments	68,007	73,336	91,680	92,722	101,600	137,732	145,371	178,902	367,597	112,942	114,071	1.00%
Overtime	284,888	279,208	209,504	283,166	296,090	315,344	289,877	372,806	369,859	249,147	251,638	1.00%
Fringes	6,327,137	7,332,638	7,523,016	7,449,883	7,071,871	6,838,431	6,922,982	6,754,275	7,366,583	7,641,530	8,176,437	7.00%
Supplies	9,583,571	9,936,823	9,492,979	10,342,050	10,952,135	11,221,864	12,357,085	12,334,856	11,604,767	12,330,637	12,182,669	-1.20%
	30,414,726	32,334,314	31,803,922	32,486,428	32,756,475	33,080,629	34,224,752	34,643,565	34,571,041	34,358,197	34,418,968	0.18%
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Permanent Salaries	40%	40%	40%	39%	38%	39%	37%	38%	38%	37%	35%	
Adjuct/Overload	3%	2%	2%	2%	3%	2%	2%	2%	2%	2%	2%	
Summer Faculty	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Student	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	
Special Assignments	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	
Overtime	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Fringes	21%	23%	24%	23%	22%	21%	20%	19%	21%	22%	24%	
Supplies	32%	31%	30%	32%	33%	34%	36%	36%	34%	36%	35%	

Table 24: Proposed Expenditures by Salaries/Supplies

Scenario Three:

The final scenario is shown in Appendix K. This combines the Program and Account codes and denotes a somewhat finer detail. The intent of this table is to demonstrate one possible pathway to realization of the budget recommendations, Program by Program - but at the Account Code level. Budget managers can use this format to alter the allocation with more fine-grain control. A variation of this approach would be to review allocations unit by unit, and at the Account Code level.

Any of these strategies/scenarios could be used independently or combined in some fashion. They are meant to be one of many possible roadmaps to financial status which clearly denotes the obstacles as well as the trade-offs given various pathways which the institution may choose to travel.

DRAFT

Financial Plan (FY19)

The plan for FY19 will be developed by April 30, 2017.

DRAFT

Financial Plan **(FY20)**

The plan for FY20 will be developed by May 31, 2017.

DRAFT

Other Benchmarking Metrics

Some benchmarking ideas were provided earlier in this document. This section shares other ideas that are commonly used in higher education. Not all are directly aligned with LSSU's mission, but these may spur other ideas that would be of use to the institution.

Pre-CFI Graphical Presentation of Ratios:

In the process of converting the financial ratios into the CFI, several mathematical steps are taken. The outcome of any one step can be used to graphically present the data. In one scenario, the financial ratio data presented previously in the Financial Status section are sometimes normalized and presented graphically as a measure of strength. The Strength Factors range from 1 to 10 (and are capped at 0 and 10), where 1 indicates financial stress and 10 indicates strong financial health. The normalization coefficients are shown in [Table 25](#).

Once applied to the ratios, strength factor results are plotted on a chart. The chart presents the ratios at three selected

points - 1, 3, and 10 - on a scale of 1 to 10. A score of 1, or lower, represents very little financial health; 3, the threshold value, represents a relatively stronger financial position; and 10, the top score within range for an institution. Some institutions will exceed the top score; however, for purposes of measuring financial health there is no reason for the scale to be extended beyond 10. By using the methodology to compute the CFI, an institution could fall below 1 and create negative amounts. These amounts should be computed and included in the determination of the CFI. Should an institution wish to continue the calculation beyond the score of 10, the proportionate analysis would continue to be effective. However, extending strength factors beyond the score of 10 will create a higher CFI and may unduly mask a weakness in another ratio.^{vii} The resulting table and figure for LSSU are provided in [Table 26](#) and [Figure 12](#). An institution with a stronger vertical presentation in the graph - with little to no horizontal presence indicates capitalization beyond its means. If unchanged, one would expect that over time the relative capitalization would diminish because the returns obtained could not keep pace with growth. This is not sustainable.

Primary Reserve Ratio	0.133
Net Operating Revenue Ratio	0.700
Return on Net Assets	2.000
Viability Ratio	0.417

Table 25: Normalizing Coefficients

	FY16	Coefficient	Strength
Primary Reserve Ratio	0.230	0.133	1.725
Net Operating Revenue Ratio	(0.050)	0.700	0.000
Return on Net Assets Ratio	0.100	2.000	0.050
Viability Ratio	0.620	0.417	1.488

Table 26: Normalized Ratios (strengths) for LSSU

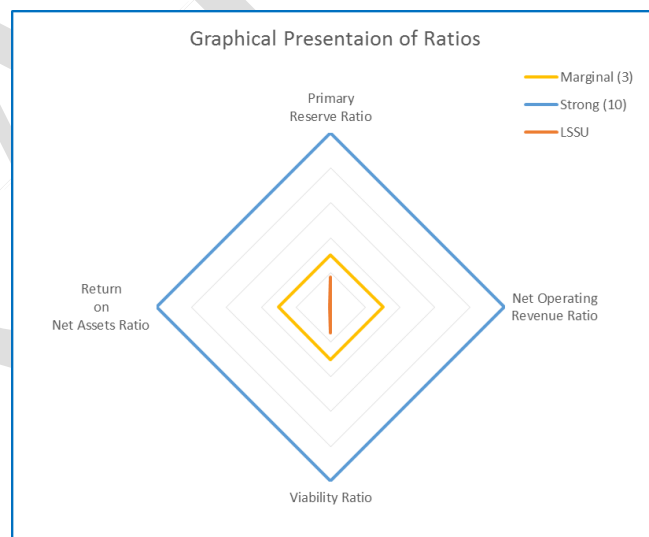


Figure 12: Graphical Representation of Financial Ratios

Net Tuition per FTE Student:

This ratio is used to measures the average tuition and fees actually received per FTE student. The resulting values allow the institution to see the average amount of actual revenue on a per student basis. When reviewed annually, this measure could be used to determine if an institution is successfully retaining its annual tuition and fee increases. It's another way to review tuition discounting. The data is available in IPEDS and is reported yearly.

Net Educational Expenses per FTE Student:

This ratio can be used to measure the average educational expenses incurred per student. When reviewed annually, this measure can be used to determine if the institution is successfully limiting educational cost increases and living within its means. For LSSU, this might include Program 10 (Instructional) and 40 (Academic Support), or it could include all General Fund expenditures. The use of FTE data could be altered so that only full-time degree-seeking students are used. A number of changes could be made to align the metric with LSSU's Strategic Plan and long-term goals. For LSSU, the following data in [Table 27](#) and [Table 28](#) was derived.

Program	Actual Expenditures by Fiscal Year									Average Annual Growth Rate
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Instruction (10)	11,858,449	12,795,497	12,934,904	12,495,107	12,649,774	12,754,437	12,809,405	12,808,549	13,078,613	1.2%
Research (20)	139,147	146,218	172,146	145,388	160,369	138,201	146,223	147,460	208,706	5.2%
Academic Support (40)	2,895,554	2,794,115	2,961,574	3,117,108	2,993,014	3,122,832	3,117,284	2,975,761	2,968,514	0.3%
Student Services (50)	2,280,982	2,391,428	2,425,179	2,519,879	2,505,621	2,521,459	2,492,232	2,509,385	2,607,771	1.7%
Financial Aid (55)	3,560,159	3,677,291	3,739,358	4,167,917	4,395,473	4,635,973	4,974,315	5,517,223	4,820,254	3.9%
Institutional Support (60)	4,956,290	5,692,309	4,901,036	5,148,082	5,053,992	5,141,538	5,452,400	5,414,988	5,718,189	1.8%
Physical Plant (70)	4,724,145	4,837,455	4,669,725	4,892,947	4,998,232	4,766,188	5,232,892	5,270,199	5,168,994	1.1%
Grand Total	30,414,726	32,334,314	31,803,922	32,486,428	32,756,475	33,080,629	34,224,752	34,643,565	34,571,041	1.6%
FTE Enrollment	2575	2588	2662	2805	2590	2435	2407	2249	2100	

Table 27: Average Annual Growth Rate by Program

Program	Actual Expenditures by Fiscal Year									Average Annual Growth Rate
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Cost/FTE (P10)	4,605	4,944	4,859	4,455	4,884	5,238	5,322	5,695	6,228	3.8%
Cost/FTE (P20)	54	56	65	52	62	57	61	66	99	7.9%
Cost/FTE (P40)	1,124	1,080	1,113	1,111	1,156	1,282	1,295	1,323	1,414	2.9%
Cost/FTE (P50)	886	924	911	898	967	1,036	1,035	1,116	1,242	4.3%
Cost/FTE (P55)	1,383	1,421	1,405	1,486	1,697	1,904	2,067	2,453	2,295	6.5%
Cost/FTE (P60)	1,925	2,200	1,841	1,835	1,951	2,112	2,265	2,408	2,723	4.4%
Cost/FTE (P70)	1,835	1,869	1,754	1,744	1,930	1,957	2,174	2,343	2,461	3.7%
Cost/FTE (P10 and P40)	5,730	6,024	5,972	5,566	6,040	6,520	6,617	7,018	7,641	3.7%
Cost/FTE (Entire GF)	11,812	12,494	11,947	11,582	12,647	13,585	14,219	15,404	16,462	4.2%

Table 28: Average Annual Growth Rate per FTE Student - by Program

[Table 27](#) shows the Average Annual Growth Rate of each Program, the FTE data is not used. Only two programs have less than a 2% annual growth rate. The remaining two Programs are over double the average annual growth.

[Table 28](#) shows that when the Average Annual Growth Rate of the Program cost per FTE student is reviewed, the largest increase (with substantial cost) occurred in Program 55 (Financial Aid).

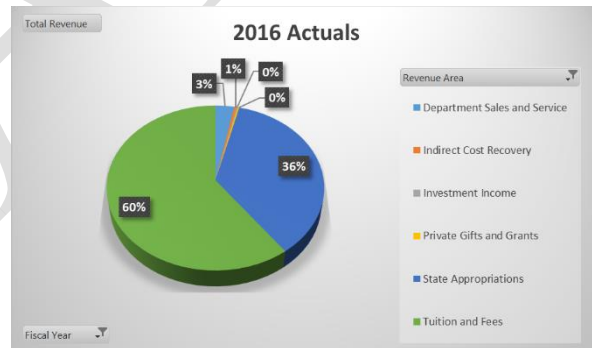
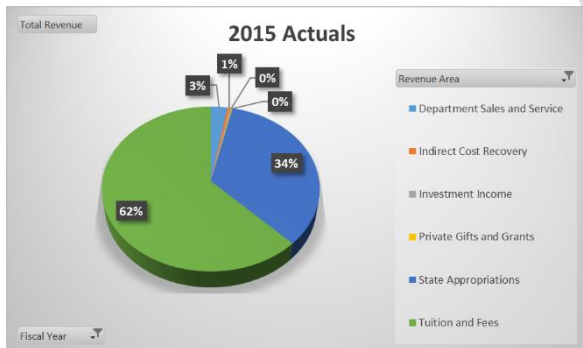
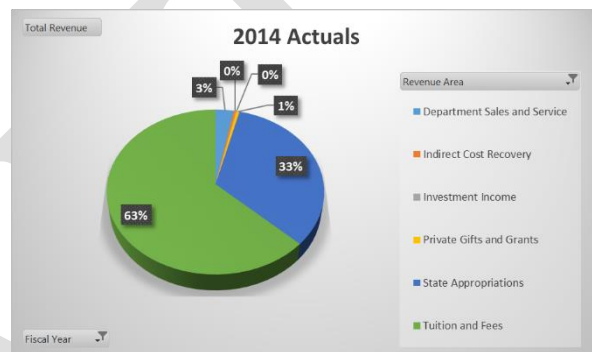
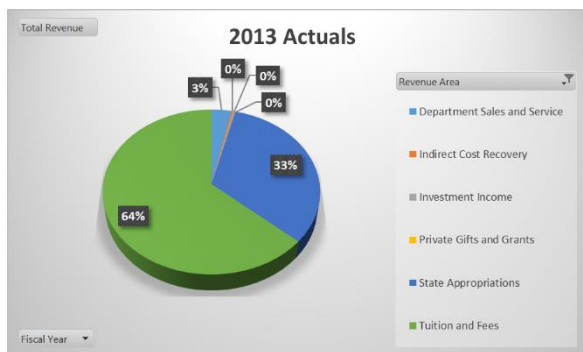
These are just a few metrics that could be used in assessing our ability to meet our goals, our Mission, and our financial viability. These metrics should be reviewed within a group of several datasets so that the entire picture of the institution is well understood. For instance, tuition rates have increased about 4.1% per year over the same time period as denoted in [Table 27](#) and [Table 28](#), however enrollment (and hence tuition based revenue) has decreased about 2.5% per year in that same time period. Any increase in annual costs must be offset by increases in revenue.

Appendix A

Review of Actual General Fund Revenue

FY13-FY16

Total Revenue	Fiscal Year ▼			
Revenue Area ▼	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals
Department Sales and Service	1,193,345.54	1,105,157.99	1,026,730.11	1,124,501.43
Indirect Cost Recovery	104,436.37	125,707.63	159,581.91	142,052.06
Investment Income	130,278.02	28,192.11	100,872.24	74,493.11
Private Gifts and Grants	-	184,447.88	40,090.00	82,656.50
State Appropriations	11,913,414.00	12,178,126.00	12,847,917.00	13,218,055.00
Tuition and Fees	23,265,175.85	23,191,223.33	23,521,728.10	22,101,151.80
Grand Total	36,606,649.78	36,812,854.94	37,696,919.36	36,742,909.90



Appendix A (continued)

Review of Actual General Fund Revenue

FY13-FY16

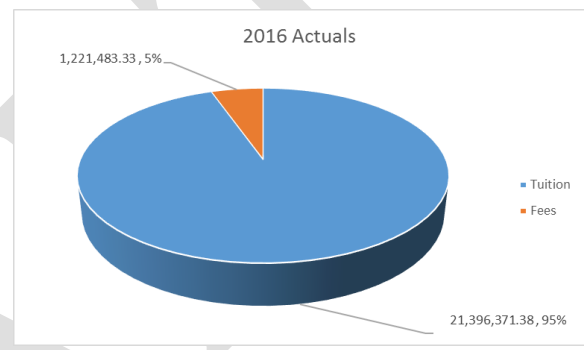
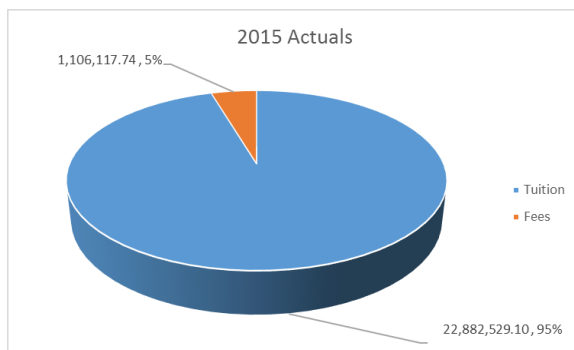
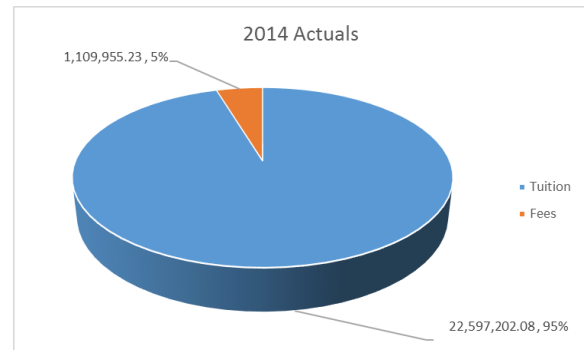
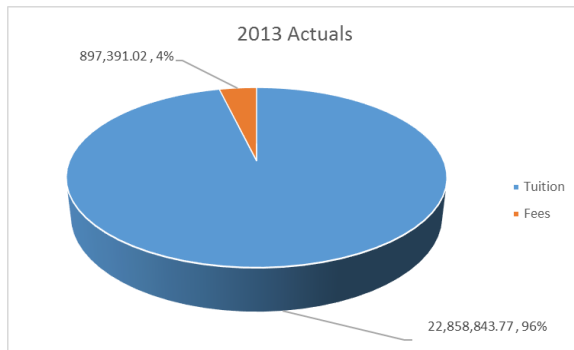
Revenue		Fiscal Year				
Unit	Account	Description	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals
Arts Center Revenue	5280	Private Gifts	0.00	500.00	250.00	1,750.00
	5510	Non Credit Fees	270.00	0.00	0.00	0.00
	5541	Admission-Concerts	9,136.18	9,743.40	5,116.00	12,852.87
	5601	Rent-Facilities	18,475.00	18,205.86	6,460.00	5,550.00
Arts Center Revenue Total			27,881.18	28,449.26	11,826.00	20,152.87
Department Activity	5520	Special Course Fees	524,815.19	544,522.73	496,677.07	539,313.33
	5522	Application Fees	43,470.00	45,015.00	39,450.00	39,800.00
	5523	Enrollment Fees	95,250.00	90,750.00	92,500.00	87,125.00
	5524	Transcript Fees	12,503.00	12,603.00	11,804.01	10,375.00
	5525	Testing Fees	560.00	200.00	420.00	120.00
	5527	Distance Education Fees	62,685.00	65,946.25	75,795.00	71,350.00
	5528	Foreign Study Fees	13,145.00	12,250.00	15,363.20	30,268.70
	5531	Library Fines	1,655.84	1,665.19	1,615.07	1,075.12
	5542	Admision-Planetarium	139.00	189.00	215.00	209.00
	5550	Child Care Fees	240.00	541.64	0.00	0.00
	5564	Collegiate License Royalties	4,528.73	6,095.91	6,162.93	8,015.73
	5575	Alpha Chi Memberships	230.00	730.00	0.00	0.00
	5576	Trip Fees - Non Student	43,140.00	0.00	0.00	0.00
	5602	Rent-Equipment	0.00	0.00	0.00	0.00
Department Activity Total			802,361.76	780,508.72	740,002.28	787,651.88
Gifts-Other	5280	Private Gifts	0.00	1,804.48	0.00	80,906.50
	5360	Sales-Broadcast Rights	0.00	0.00	0.00	0.00
	5571	Sales-Other	0.00	0.00	0.00	0.00
	5601	Rent-Facilities	12,000.00	14,500.00	15,900.00	12,216.00
	5604	Rent-Other	5,400.00	5,400.00	5,400.00	5,400.00
	5613	Late Fees	81,300.82	67,839.42	46,504.18	73,456.13
	5614	Installment Payment Fees	31,020.00	32,640.00	26,065.00	22,205.00
	5616	NSF Fees	940.00	1,460.00	840.00	960.00
	5621	Bad Debt Recoveries	5,753.32	10,629.34	9,045.49	12,211.76
	5630	Miscellaneous	116,539.97	46,342.98	41,277.50	73,022.55
	5645	Fin Aid Admin Reimbursement	20,182.03	33,039.39	34,830.70	44,222.75
Gifts-Other Total			273,136.14	213,655.61	179,862.87	324,600.69
Indirect Cost Recovery	5641	Indirect Cost Recovery-Federal	45,916.61	65,397.26	56,186.81	49,830.35
	5643	Indirect Cost Recovery-Private	14,376.26	22,308.48	54,989.77	43,728.96
	5645	Fin Aid Admin Reimbursement	23,961.47	4,962.50	13,574.63	4,270.00
Indirect Cost Recovery Total			84,254.34	92,668.24	124,751.21	97,829.31
Interest Income	5821	Pooled Investment Income	130,278.02	28,192.11	100,872.24	74,493.11
Interest Income Total			130,278.02	28,192.11	100,872.24	74,493.11
Norris Center Revenue	5521	Activity Center Fee	0.00	0.00	0.00	0.00
	5580	Norris Memberships	18,908.50	18,131.85	17,185.00	19,850.50
	5581	Norris Guest Fees	6,482.99	7,318.92	7,484.86	8,355.31
	5582	Norris Rent-Gym	2,732.50	3,384.50	3,355.00	2,125.00
	5583	Norris Rent-Handball Ct	0.00	52.50	1,885.50	4,435.75
	5584	Norris Rent-Ice	71,555.00	72,445.00	75,791.89	67,770.03
	5585	Norris Rent-Pool	6,782.00	10,711.50	19,590.00	9,115.00
	5586	Norris Rent-Rec Equipment	0.00	0.00	2,453.41	4,653.65
	5590	Norris Skate Sharpening	0.00	0.00	0.00	90.00
	5591	Norris Misc Fees	2,922.50	1,604.00	1,554.00	1,950.00
	5601	Rent-Facilities	765.00	4,240.00	820.00	630.00
Norris Center Revenue Total			110,148.49	117,888.27	130,119.66	118,975.24
Nursing SIMLAB Revenue	5280	Private Gifts	0.00	182,143.40	39,840.00	0.00
Nursing SIMLAB Revenue Total			0.00	182,143.40	39,840.00	0.00
State Appropriation	5801	State Appropriation-GF	11,913,414.00	12,178,126.00	12,847,917.00	13,218,055.00
State Appropriation Total			11,913,414.00	12,178,126.00	12,847,917.00	13,218,055.00

Revenue			Fiscal Year			
Unit	Account	Description	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals
Tuition Fall	5101	Resident Tuition	10,529,774.40	10,216,554.50	10,200,573.00	9,657,749.43
	5102	Non Resident Tuition	362,571.75	456,555.00	563,370.00	433,535.00
	5103	Midwest Consortium Tuition	302,298.75	281,670.00	390,561.00	290,543.00
	5104	Distance Ed Tuition	21,465.00	12,402.50	20,256.00	52,393.00
	5105	Military Tuition	65,750.00	39,500.00	32,250.00	56,750.00
	5110	Graduate Tuition	34,939.00	6,386.00	1,648.00	550.00
	5120	Credit by Exam	250.00	0.00	0.00	450.00
	5141	Program Fee	182,790.00	269,047.50	280,432.50	325,967.50
	5142	Activity Course Fee	6,620.00	5,080.00	4,495.00	5,320.00
	5143	Regional Center Fee	16,281.25	9,600.00	12,625.00	8,425.00
Tuition Fall Total			11,522,740.15	11,296,795.50	11,506,210.50	10,831,682.93
Tuition Spring	5101	Resident Tuition	9,454,752.26	9,516,307.50	9,359,039.40	8,882,195.75
	5102	Non Resident Tuition	381,003.75	447,330.00	552,609.00	432,453.00
	5103	Midwest Consortium Tuition	274,871.25	304,425.00	360,810.00	277,120.00
	5104	Distance Ed Tuition	13,713.75	22,140.00	22,788.00	31,176.00
	5105	Military Tuition	42,625.00	42,000.00	47,000.00	37,750.00
	5110	Graduate Tuition	51,794.88	14,059.00	1,040.00	0.00
	5120	Credit by Exam	0.00	150.00	450.00	150.00
	5141	Program Fee	163,627.50	264,812.50	292,081.50	321,175.00
	5142	Activity Course Fee	7,180.00	7,100.00	6,630.00	6,790.00
	5143	Regional Center Fee	14,481.25	16,107.50	13,625.00	12,050.00
Tuition Spring Total			10,404,049.64	10,634,431.50	10,656,072.90	10,000,859.75
Tuition Summer	5101	Resident Tuition	1,201,230.49	1,129,641.75	1,218,994.36	1,143,394.71
	5102	Non Resident Tuition	36,932.83	38,947.50	41,097.33	39,847.34
	5103	Midwest Consortium Tuition	25,058.33	34,655.83	35,777.17	27,431.83
	5104	Distance Ed Tuition	13,089.00	7,669.17	8,887.50	16,519.83
	5105	Military Tuition	10,416.66	4,729.17	12,666.67	10,354.16
	5110	Graduate Tuition	36,556.67	22,229.16	13,161.67	6,608.33
	5120	Credit by Exam	400.00	0.00	175.00	125.00
	5141	Program Fee	12,358.33	19,392.50	25,801.67	22,917.50
	5143	Regional Center Fee	2,343.75	2,731.25	2,883.33	1,410.42
Tuition Summer Total			1,338,386.06	1,259,996.33	1,359,444.70	1,268,609.12
Grand Total			36,606,649.78	36,812,854.94	37,696,919.36	36,742,909.90

Appendix B

Academic Tuition and Fee Trends

FY13-FY16



Appendix C

Historical Trends of Departmental Sales and Services

FY13-FY16

Expenditures				Fiscal year			
Subtotal	Description	Account	Description	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals
Department Sales and Service		5510	Non Credit Fees	270	-	-	-
		5520	Special Course Fees	524,815	544,523	496,677	539,313
		5521	Activity Center Fee	-	-	-	-
		5522	Application Fees	43,470	45,015	39,450	39,800
		5523	Enrollment Fees	95,250	90,750	92,500	87,125
		5524	Transcript Fees	12,503	12,603	11,804	10,375
		5525	Testing Fees	560	200	420	120
		5527	Distance Education Fees	62,685	65,946	75,795	71,350
		5528	Foreign Study Fees	13,145	12,250	15,363	30,269
		5531	Library Fines	1,656	1,665	1,615	1,075
		5541	Admission-Concerts	9,136	9,743	5,116	12,853
		5542	Admission-Planetarium	139	189	215	209
		5550	Child Care Fees	240	542	-	-
		5564	Collegiate License Royalties	4,529	6,096	6,163	8,016
		5571	Sales-Other	-	-	-	-
		5575	Alpha Chi Memberships	230	730	-	-
		5576	Trip Fees - Non Student	43,140	-	-	-
		5580	Norris Memberships	18,909	18,132	17,185	19,851
		5581	Norris Guest Fees	6,483	7,319	7,485	8,355
		5582	Norris Rent-Gym	2,733	3,385	3,355	2,125
		5583	Norris Rent-Handball Ct	-	53	1,886	4,436
		5584	Norris Rent-Ice	71,555	72,445	75,792	67,770
		5585	Norris Rent-Pool	6,782	10,712	19,590	9,115
		5586	Norris Rent-Rec Equipment	-	-	2,453	4,654
		5590	Norris Skate Sharpening	-	-	-	90
		5591	Norris Misc Fees	2,923	1,604	1,554	1,950
		5601	Rent-Facilities	31,240	36,946	23,180	18,396
		5602	Rent-Equipment	-	-	-	-
		5604	Rent-Other	5,400	5,400	5,400	5,400
		5613	Late Fees	81,301	67,839	46,504	73,456
	5614	Installment Payment Fees	31,020	32,640	26,065	22,205	
	5616	NSF Fees	940	1,460	840	960	
	5621	Bad Debt Recoveries	5,753	10,629	9,045	12,212	
	5630	Miscellaneous	116,540	46,343	41,278	73,023	
Department Sales and Service Total				1,193,346	1,105,158	1,026,730	1,124,501
Grand Total				1,193,346	1,105,158	1,026,730	1,124,501

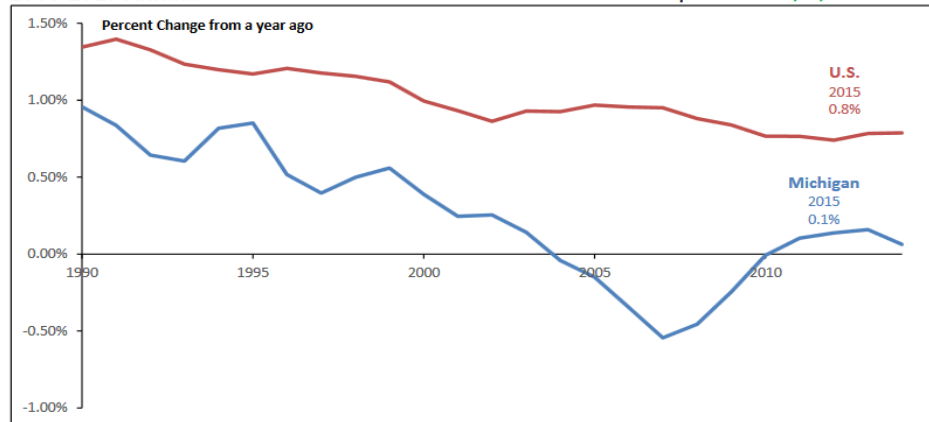
Appendix D

Michigan Population Trends

MICHIGAN POPULATION

1990-2015 Annual

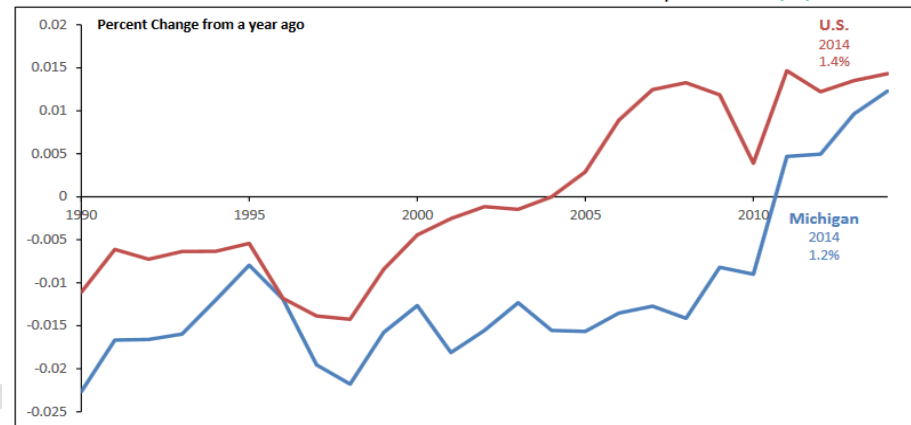
Last Update: 1/29/16



MICHIGAN POPULATION AGE 25 to 34

1990-2014 Annual

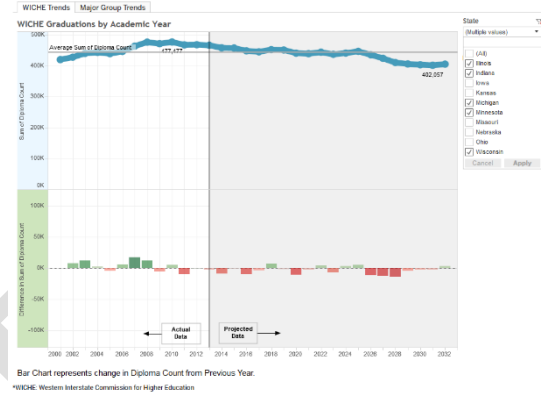
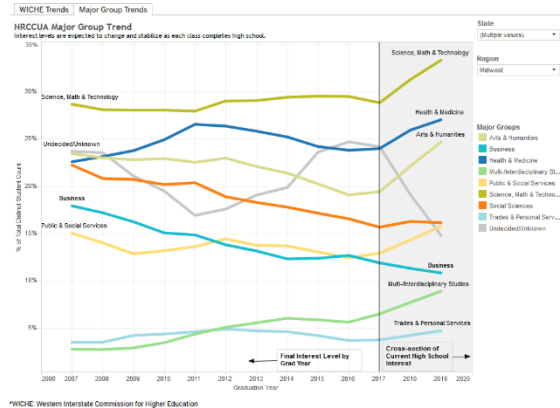
Last Update: 11/24/15



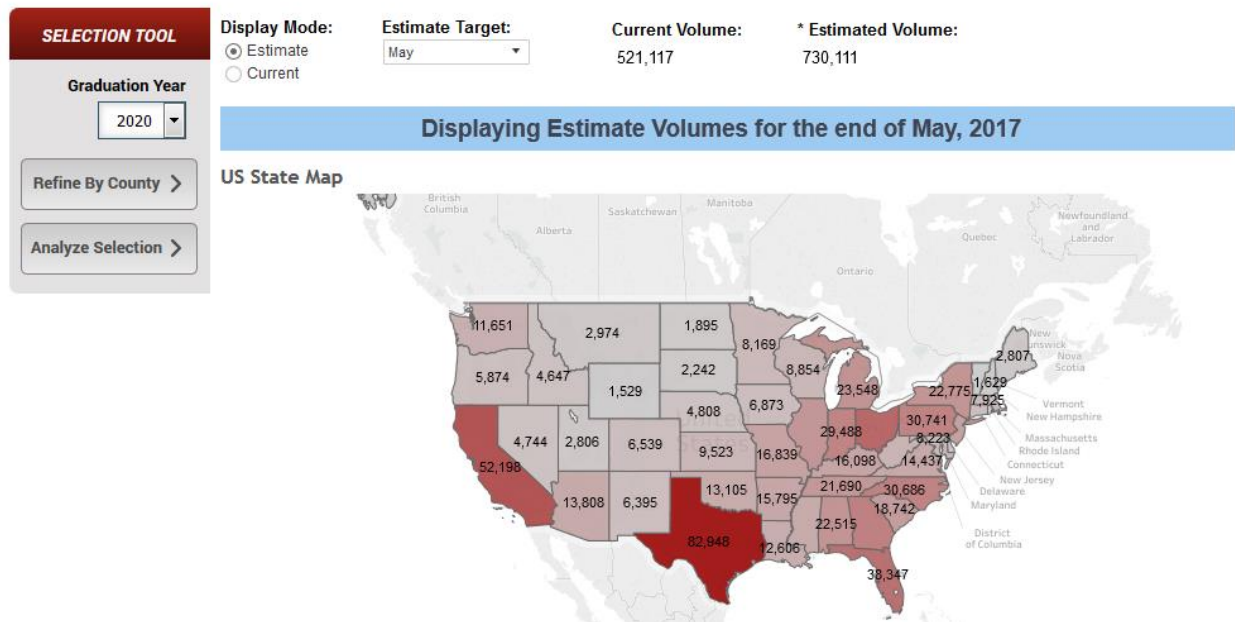
Appendix E

High School Student Trends (WICHE Data)

This Appendix provides examples of WICHE data available for use by LSSU - for recruitment and enrollment projections. Data can be viewed by region, state, or self-selected attributes. The Major Group Trend chart shows projected demand for specific degrees programs by region. The Graduation by Academic Year chart shows the numerical change in the number of graduates by a user-determined selection of states. The map at the bottom of the page shows the population change (by state) for 2020 compared to the previous year (red indicates a decrease, green is an increase).



Lake Superior State University



Appendix F Debt Service Schedule

LSSU Summary of Leased Equipment--Capital Leases																		
Date of Lease Equipment/Purpose	5/1/2012 QtrDeck Renov	6/17/2013 150 computers	6/3/2015 125 computers	10/26/2015 162 computers	1/7/2016 Ruckus Zone	11/14/2016 Norris Equipment	FY17 175 Computers	FY18 175 Computers	FY18 Copiers	FY19 175 Computers	FY19 Ruckus Zone	FY21 175 Computers	FY21 175 Computers	FY21 175 Computers	FY22 Ruckus Zone	11/15/2012 Bonds		
Note Holder PO#	Sodexo no PO	Dell Financial P1301609	Dell Financial P1501618	Dell Financial P1600821	Hewlett Packard P1601046	CSB	Dell Financial	Dell Financial	CSB	Dell Financial	Hewlett Packard	Dell Financial	Dell Financial	Dell Financial	Hewlett Packard			
Initial Amount	750,000.00	139,777.00	107,392.00	142,642.00	156,514.33	150,000.00	150,000.00	150,000.00	250,000.00	150,000.00	170,000.00	150,000.00	150,000.00	150,000.00	180,000.00	23,355,000.00		
Total Payments per Agreement	750,000.00	149,998.00	117,332.95	153,055.00	162,412.00	157,154.47										32,755,776.25		
Principal Bal 6-30-16	502,113.06	56,860.04	83,925.55	112,031.03	102,377.10											18,585,000.00		
New Lease/Loan	-	-	-	-	-	150,000.00	150,000.00	150,000.00	250,000.00	150,000.00	170,000.00	150,000.00	150,000.00	150,000.00	180,000.00			
2011-12																		
2012-13	71,918.00																	
2013-14	74,768.26	29,999.51														1,963,988.75	2,068,756.52	
2014-15	38,427.83	29,999.51														1,966,275.00	2,034,702.34	
2015-16	62,772.85	29,999.51	23,466.59	30,610.97	54,137.23											1,966,625.00	2,167,612.15	
2016-17	63,920.00	29,999.51	23,466.59	30,610.97	54,137.23	18,334.68	30,000.00									1,564,875.00	1,815,343.98	
2017-18	63,920.00	29,999.51	23,466.59	30,610.97	54,137.23	31,430.88	30,000.00	30,000.00	50,000.00							1,565,737.50	1,909,302.68	
2018-19	63,920.00	0.00	23,466.59	30,610.97	0.00	31,430.88	30,000.00	30,000.00	50,000.00	30,000.00	56,666.67					1,561,800.00	1,907,895.11	
2019-20	63,920.00		23,466.58	30,610.98		31,430.88	30,000.00	30,000.00	50,000.00	30,000.00	56,666.67					1,563,600.00	1,909,695.11	
2020-21	63,920.00		0.00	0.00		31,430.88	30,000.00	30,000.00	50,000.00	30,000.00	56,666.67	30,000.00	30,000.00			1,558,900.00	1,910,917.55	
2021-22	63,920.00					13,096.27	0.00	30,000.00	50,000.00	30,000.00	0.00	30,000.00	30,000.00	30,000.00	30,000.00	1,558,025.00	1,895,041.27	
2023-32	118,593.06					0.00		0.00	0.00	30,000.00	90,000.00	90,000.00	120,000.00	120,000.00		17,077,500.00		

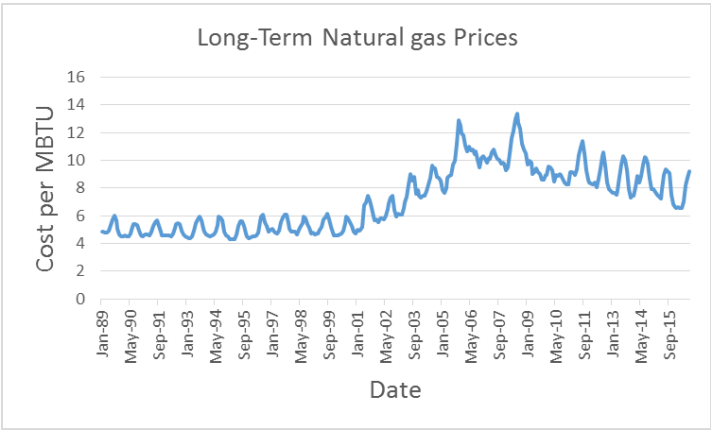
Red Items: Revolving Computer Replacement Leases (5 or less at any point in time)

Green Items: Loan Payment on the Norris Center Equipment

Purple Items: New Lease for Copiers (Campus-wide)

Blue Items: Revolving Wireless Equipment Leases (we may need more of these)

Appendix G
Historical Natural Gas Prices



Appendix H

Revenue Expectations Given Standard Assumptions

Appropriations			11.81%	2.11%	5.71%	1.43%	2.95%	1.90%	2.40%	2.75%	
Tuition			3.00%	3.10%	2.90%	2.60%	4.20%	3.50%	3.00%	3.00%	
Enrollment			-5.71%	-3.71%	-5.27%	-7.10%	-1.90%	-3.00%	0.00%	-1.00%	
Revenue											
Unit	Account	Description	Fiscal Year	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals	2017 Budget	2018 Est	2019 Est	2020 Est
Arts Center Revenue	5280	Private Gifts		0.00	500.00	250.00	1,750.00				
	5510	Non Credit Fees		270.00	0.00	0.00	0.00				
	5541	Admission-Concerts		9,136.18	9,743.40	5,116.00	12,852.87	20,000.00	40,000.00	45,000.00	45,000.00
	5601	Rent-Facilities		18,475.00	18,205.86	6,460.00	5,550.00	8,700.00	8,000.00	9,000.00	10,000.00
Arts Center Revenue Total				27,881.18	28,449.26	11,826.00	20,152.87	28,700.00	48,000.00	54,000.00	55,000.00
Department Activity	5520	Special Course Fees		524,815.19	544,522.73	496,677.07	539,313.33	500,000.00	485,000.00	485,000.00	480,150.00
	5522	Application Fees		43,470.00	45,015.00	39,450.00	39,800.00	37,000.00	35,890.00	35,890.00	35,531.10
	5523	Enrollment Fees		95,250.00	90,750.00	92,500.00	87,125.00	90,000.00	87,300.00	87,300.00	86,427.00
	5524	Transcript Fees		12,503.00	12,603.00	11,804.01	10,375.00	9,500.00	9,215.00	9,215.00	9,122.85
	5525	Testing Fees		560.00	200.00	420.00	120.00				
	5527	Distance Education Fees		62,685.00	65,946.25	75,795.00	71,350.00	73,000.00	70,810.00	70,810.00	70,101.90
	5528	Foreign Study Fees		13,145.00	12,250.00	15,363.20	30,268.70	20,000.00	19,400.00	19,400.00	19,206.00
	5531	Library Fines		1,655.84	1,665.19	1,615.07	1,075.12	1,000.00	1,000.00	1,000.00	1,000.00
	5542	Admision-Planetarium		139.00	189.00	215.00	209.00	100.00	200.00	200.00	200.00
	5550	Child Care Fees		240.00	541.64	0.00	0.00				
	5564	Collegiate License Royalties		4,528.73	6,095.91	6,162.93	8,000.00	7,000.00	8,500.00	8,500.00	9,000.00
	5575	Alpha Chi Memberships		230.00	730.00	0.00	0.00				
	5576	Trip Fees - Non Student		43,140.00	0.00	0.00	0.00				
	5602	Rent-Equipment		0.00	0.00	0.00	0.00				
Department Activity Total				802,361.76	780,508.72	740,002.28	787,651.88	737,600.00	717,315.00	717,315.00	710,738.85
Gifts-Other	5280	Private Gifts		0.00	1,804.48	0.00	80,906.50				
	5360	Sales-Broadcast Rights		0.00	0.00	0.00	0.00				
	5571	Sales-Other		0.00	0.00	0.00	0.00				
	5601	Rent-Facilities		12,000.00	14,500.00	15,900.00	12,216.00	20,164.00	13,000.00	15,000.00	16,000.00
	5604	Rent-Other		5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00	5,400.00
	5613	Late Fees		81,300.82	67,839.42	46,504.18	73,456.13	60,000.00	70,000.00	70,000.00	70,000.00
	5614	Installment Payment Fees		31,020.00	32,640.00	26,065.00	22,205.00	30,000.00	29,100.00	29,100.00	28,809.00
	5616	NSF Fees		940.00	1,460.00	840.00	960.00	850.00	824.50	824.50	816.26
	5621	Bad Debt Recoveries		5,753.32	10,629.34	9,045.49	12,211.76	5,000.00	4,850.00	4,850.00	4,801.50
	5630	Miscellaneous		116,539.97	46,342.98	41,277.50	73,022.55	45,000.00	50,000.00	50,000.00	50,000.00
	5645	Fin Aid Admin Reimbursement		20,182.03	33,039.39	34,830.70	44,222.75	33,000.00	47,000.00	49,000.00	51,000.00
Gifts-Other Total				273,136.14	213,655.61	179,862.87	324,600.69	199,414.00	220,174.50	224,174.50	226,826.76
Indirect Cost Recovery	5641	Indirect Cost Recovery-Federal		45,916.61	65,397.26	56,186.81	49,830.35	35,000.00	40,000.00	40,000.00	40,000.00
	5643	Indirect Cost Recovery-Private		14,376.26	22,308.48	54,989.77	43,728.96	25,000.00	35,000.00	35,000.00	35,000.00
	5645	Fin Aid Admin Reimbursement		23,961.47	4,962.50	13,574.63	4,270.00	5,000.00	5,000.00	5,000.00	5,000.00
Indirect Cost Recovery Total				84,254.34	92,668.24	124,751.21	97,829.31	65,000.00	80,000.00	80,000.00	80,000.00
Interest Income	5821	Pooled Investment Income		130,278.02	28,192.11	100,872.24	74,493.11	75,000.00	75,000.00	75,000.00	75,000.00
Interest Income Total				130,278.02	28,192.11	100,872.24	74,493.11	75,000.00	75,000.00	75,000.00	75,000.00
Norris Center Revenue	5521	Activity Center Fee		0.00	0.00	0.00	0.00				
	5580	Norris Memberships		18,908.50	18,131.85	17,185.00	19,850.50	21,000.00	21,000.00	23,000.00	25,000.00
	5581	Norris Guest Fees		6,482.99	7,318.92	7,484.86	8,355.31	7,400.00	9,000.00	11,000.00	12,000.00
	5582	Norris Rent-Gym		2,732.50	3,384.50	3,355.00	2,125.00	3,000.00	2,500.00	3,000.00	3,500.00
	5583	Norris Rent-Handball Ct		0.00	52.50	1,885.50	4,435.75	2,000.00	5,000.00	5,000.00	5,000.00
	5584	Norris Rent-Ice		71,555.00	72,445.00	75,791.89	67,770.03	75,000.00	65,000.00	70,000.00	75,000.00
	5585	Norris Rent-Pool		6,782.00	10,711.50	19,590.00	9,115.00	10,000.00	9,000.00	9,000.00	9,000.00
	5586	Norris Rent-Rec Equipment		0.00	0.00	2,453.41	4,653.65	4,500.00	5,500.00	5,700.00	6,000.00
	5590	Norris Skate Sharpening		0.00	0.00	0.00	90.00				
	5591	Norris Misc Fees		2,922.50	1,604.00	1,554.00	1,950.00	1,500.00	2,000.00	2,000.00	2,000.00
	5601	Rent-Facilities		765.00	4,240.00	820.00	630.00	500.00			
Norris Center Revenue Total				110,148.49	117,888.27	130,119.66	118,975.24	124,900.00	119,000.00	128,700.00	137,500.00
Nursing SIMLAB Revenue	5280	Private Gifts		0.00	182,143.40	39,840.00	0.00				
Nursing SIMLAB Revenue Total				0.00	182,143.40	39,840.00	0.00	-	-	-	-
State Appropriation	5801	State Appropriation-GF		11,913,414.00	12,178,126.00	12,847,917.00	13,218,055.00	13,407,400.00	13,662,140.60	13,990,031.97	14,374,757.85
State Appropriation Total				11,913,414.00	12,178,126.00	12,847,917.00	13,218,055.00	13,407,400.00	13,662,140.60	13,990,031.97	14,374,757.85

Appropriations			11.81%	2.11%	5.71%	1.43%	2.95%	1.90%	2.40%	2.75%
Tuition			3.00%	3.10%	2.90%	2.60%	4.20%	3.50%	3.00%	3.00%
Enrollment			-5.71%	-3.71%	-5.27%	-7.10%	-1.90%	-3.00%	0.00%	-1.00%
Revenue										
Unit	Account	Description	Fiscal Year				2017 Budget	2018 Est	2019 Est	2020 Est
			2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals				
Tuition Fall	5101	Resident Tuition	10,529,774.40	10,216,554.50	10,200,573.00	9,657,749.43	9,911,753.00	9,950,904.42	10,249,431.56	10,451,345.36
	5102	Non Resident Tuition	362,571.75	456,555.00	563,370.00	433,535.00	541,246.00	543,383.92	559,685.44	570,711.24
	5103	Midwest Consortium Tuition	302,298.75	281,670.00	390,561.00	290,543.00	330,583.00	331,888.80	341,845.47	348,579.82
	5104	Distance Ed Tuition	21,465.00	12,402.50	20,256.00	52,393.00	17,589.00	17,658.48	18,188.23	18,546.54
	5105	Military Tuition	65,750.00	39,500.00	32,250.00	56,750.00	62,000.00	62,244.90	64,112.25	65,375.26
	5110	Graduate Tuition	34,939.00	6,386.00	1,648.00	550.00	3,120.00	3,132.32	3,226.29	3,289.85
	5120	Credit by Exam	250.00	0.00	0.00	450.00	300.00	291.00	291.00	288.09
	5141	Program Fee	182,790.00	269,047.50	280,432.50	325,967.50	345,989.00	335,609.33	335,609.33	332,253.24
	5142	Activity Course Fee	6,620.00	5,080.00	4,495.00	5,320.00	4,895.00	4,748.15	4,748.15	4,700.67
	5143	Regional Center Fee	16,281.25	9,600.00	12,625.00	8,425.00	11,383.00	11,041.51	11,041.51	10,931.09
Tuition Fall Total			11,522,740.15	11,296,795.50	11,506,210.50	10,831,682.93	11,228,858.00	11,260,902.84	11,588,179.22	11,806,021.16
Tuition Spring	5101	Resident Tuition	9,454,752.26	9,516,307.50	9,359,039.40	8,882,195.75	8,700,000.00	8,734,365.00	8,996,395.95	9,173,624.95
	5102	Non Resident Tuition	381,003.75	447,330.00	552,609.00	432,453.00	440,000.00	441,738.00	454,990.14	463,953.45
	5103	Midwest Consortium Tuition	274,871.25	304,425.00	360,810.00	277,120.00	280,000.00	281,106.00	289,539.18	295,243.10
	5104	Distance Ed Tuition	13,713.75	22,140.00	22,788.00	31,176.00	22,000.00	22,086.90	22,749.51	23,197.67
	5105	Military Tuition	42,625.00	42,000.00	47,000.00	37,750.00	40,000.00	40,158.00	41,362.74	42,177.59
	5110	Graduate Tuition	51,794.88	14,059.00	1,040.00	0.00	-	-	-	-
	5120	Credit by Exam	0.00	150.00	450.00	150.00	-	-	-	-
	5141	Program Fee	163,627.50	264,812.50	292,081.50	321,175.00	300,000.00	291,000.00	291,000.00	288,090.00
	5142	Activity Course Fee	7,180.00	7,100.00	6,300.00	6,790.00	6,500.00	6,305.00	6,305.00	6,241.95
	5143	Regional Center Fee	14,481.25	16,107.50	13,625.00	12,050.00	12,000.00	11,640.00	11,640.00	11,523.60
Tuition Spring Total			10,404,049.64	10,634,431.50	10,656,072.90	10,000,859.75	9,800,500.00	9,828,398.90	10,113,982.52	10,304,052.31
Tuition Summer	5101	Resident Tuition	1,201,230.49	1,129,641.75	1,218,994.36	1,143,394.71	847,673.00	851,021.31	876,551.95	893,820.02
	5102	Non Resident Tuition	36,932.83	38,947.50	41,097.33	39,847.34	32,388.00	32,515.93	33,491.41	34,151.19
	5103	Midwest Consortium Tuition	25,058.33	34,655.83	35,777.17	27,431.83	21,087.00	21,170.29	21,805.40	22,234.97
	5104	Distance Ed Tuition	13,089.00	7,669.17	8,887.50	16,519.83	16,367.00	16,431.65	16,924.60	17,258.01
	5105	Military Tuition	10,416.66	4,729.17	12,666.67	10,354.16	3,150.00	3,162.44	3,257.32	3,321.48
	5110	Graduate Tuition	36,556.67	22,229.16	13,161.67	6,608.33	3,960.00	3,975.64	4,094.91	4,175.58
	5120	Credit by Exam	400.00	0.00	175.00	125.00	150.00	145.50	145.50	144.05
	5141	Program Fee	12,358.33	19,392.50	25,801.67	22,917.50	16,437.00	15,943.89	15,943.89	15,784.45
	5143	Regional Center Fee	2,343.75	2,731.25	2,883.33	1,410.42	540.00	523.80	523.80	518.56
Tuition Summer Total			1,338,386.06	1,259,996.33	1,359,444.70	1,268,609.12	941,752.00	944,890.46	972,738.78	991,408.32
Grand Total			36,606,649.78	36,812,854.94	37,696,919.36	36,742,909.90	36,609,124.00	36,955,822.30	37,944,121.99	38,761,305.25

Appendix I

Possible Use in Abatement

Fiscal Year	Natural Gas	Water	Gas & Oil	Electricity	Natural Gas Abatement	Water Abatement	Electricity Abatement	Natural Gas % Abatement	Water % Abatement	Electricity % Abatement
FY06	1,320,037.83	473,364.71	16,887.83	836,100.18	42,395.58	335,186.82	350,509.04	3.21%	70.81%	41.92%
FY07	1,291,111.66	474,270.06	14,058.87	914,821.72	34,177.91	326,936.57	365,155.86	2.65%	68.93%	39.92%
FY08	1,275,041.68	540,578.91	22,585.71	1,050,601.12	39,769.65	363,580.95	333,505.88	3.12%	67.26%	31.74%
FY09	1,265,647.82	561,196.55	16,142.44	1,060,972.25	38,006.81	382,590.24	336,887.60	3.00%	68.17%	31.75%
FY10	876,811.32	425,078.47	15,884.21	929,790.90	28,060.41	263,700.40	295,097.07	3.20%	62.04%	31.74%
FY11	952,937.95	455,307.57	21,012.15	1,179,570.48	33,989.14	291,291.11	374,522.81	3.57%	63.98%	31.75%
FY12	712,681.50	551,872.05	25,469.61	1,333,956.99	21,208.81	347,124.91	422,288.64	2.98%	62.90%	31.66%
FY13	680,691.38	568,879.47	35,864.05	1,230,870.85	19,711.08	365,933.64	389,228.36	2.90%	64.33%	31.62%
FY14	1,003,372.29	547,676.08	37,740.39	1,197,486.89	32,498.24	347,722.59	378,944.42	3.24%	63.49%	31.64%
FY15	736,049.97	532,071.07	27,103.25	1,224,455.34	21,025.78	341,368.50	387,203.67	2.86%	64.16%	31.62%
FY16	557,123.70	542,123.42	19,397.85	1,223,050.54	15,701.19	340,678.90	384,330.64	2.82%	62.84%	31.42%

Appendix J

Possible Use in Equipment Replacement Schedule

Grounds Vehicles							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
1995	Dodge 3/4 ton 4x4 Flatbed			18,000			
2002	Dodge 3/4 ton 4x4 Flatbed/plow				22,000		
2002	Dodge 3/4 ton 4x4 Reg. Cab/plow		22,000				
2003	GMC Sierra Reg. Cab/plow						24,000
1980	Chevrolet Dump		Not to be replaced				
1996	Ford Cube Van					18,000	
2004	Chevrolet Cube Van						18,000
Grounds Equipment							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
1991	Holder C500		85000/replace with skid steer				
1992	Ford Elgin Whirlwind Series L		Not to be replaced				
1996	Case 621B Loader	140,000					
1996	Case 621B Loader						150,000
2006	L5030 Kubota Tractor		Not to be replaced				
	Clark 45C loader	To be sold					
	Clark Fork Lift		To be scrapped				
2013	Briggs&Statton 300 Series		150				
2013	Briggs&Statton 300 Series		150				
2013	Briggs&Statton 300 Series		150				
2013	Briggs&Statton 300 Series		150				
	Briggs&Statton 3.5HP Classic	150					
	Briggs&Statton 3.5HP Classic	150					
	Huskee, Side Discharge	150					
	Ryan Lawnaire		Not to be replaced				
	Ariens WAW1034			1,500			
	Honda GXV 390 Bed Shaper		Not to be replaced				
	Kabota F3680, Lawn Mower					18,000	
	Mini Z Hustler, Lawn Mower						15,000
	Golf Car		Not to be replaced				
	Polaris Ranger 4x4						8,000
	Stihl Weed Wacker			400			
	Stihl Weed Wacker		400				
	Stihl Weed Wacker	400					
	Stihl Weed Wacker		400				
	Stihl Weed Wacker			400			
	Stihl Weed Wacker				400		
	Stihl Weed Wacker					400	
	Stihl Leaf Blower			400			
	Wacker WP 1550 Compactor						1,200
	Stihl Hedge Trimmer		Not to be replaced				
	Stihl MS 192 TC Chainsaw		Not to be replaced				
	Stihl MS 362 Chainsaw		Not to be replaced				
	Stihl HT 131Branch Saw		Not to be replaced				
	Gas Cut off saw					1,100	
	Toro 824 Power Throw, Snowblower				250		
	Huskee, Snow Blower		1,000				
	Airéns Snow blower						1,500
	Air-Flo Salt Spreader		4,000				
	Leaf Vacuum				1,000		

Travel Fleet							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
1995	Dodge Ram 1500 V8 Magnum	15,000					
1997	Ford Van					15,000	
1997	GMC Sonoma SLS Truck			15,000			
1999	Chevrolet Van 2500				15,000		
2005	Ford Van					15,000	
2006	Ford Minivan						15,000
2010	Ford Van		Not to be replaced				
2010	Ford Van		Not to be replaced				
Custodial Vehicles							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
	Dodge Ram Delivery Van	13,000					
Motor Pool Vehicles							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
2005	GMC 15 Passenger	50,000					
2005	GMC 15 Passenger		50,000				
2007	Ford 15 Passenger				50,000		
2008	Ford 15 Passenger					50,000	
2012	Chevy Silverado 2500, Truck						
2012	Ford 12 Passenger, Shuttle						
2013	25 Passenger Bus						
Manager Vehicles							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
1995	Ford Windstar Minivan	5,000					
1996	Dodge Caravan	Scrapped	5,000				
2000	Ford Windstar Minivan			5,000			
2004	Oldmobile Minivan				5,000		
Other Vehicles/equipment							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
	40' JLG electric lift					40,000	
	Steam plant Genie lift		Not to be replaced				
	Steam plant Hyster fork lift		To be scrapped				
	Arts center JLG lift		Not to be replaced				
Norris Equipment							
Year	Description	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
2002	Zamboni		Not to be replaced				
1972	Zamboni						60,000
1998	Mitsubishi fork lift		Not to be replaced				

Total Expenditures						
Area	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20
Grounds Vehicles	-	22,000	18,000	22,000	18,000	42,000
Grounds Equipment	140,850	6,400	2,700	1,650	19,500	175,700
Travel Fleet	15,000	-	15,000	15,000	30,000	15,000
Custodial Vehicles	13,000	-	-	-	-	-
Motor Pool Vehicles	50,000	50,000	-	50,000	50,000	-
Manager Vehicles	5,000	5,000	5,000	5,000	-	-
Other Vehicles/equipment	-	-	-	-	40,000	-
Norris Equipment	-	-	-	-	-	60,000
Total Expenditures	223,850	83,400	40,700	93,650	157,500	292,700

Appendix K

Projected F18 Expenditures - by Program, By Account Code (with history)

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
10	Instruction	6010	Admin Full Time 12-Mo	123,734	711,793	238,354	210,136	217,585	249,944	243,769	250,795	175,787	173,641	175,378	1.00%
		6020	Admin Full Time 9-Mo WB	41,804	42,800	42,562	10,428					5,036		0	
		6030	Admin Part Time <27 Hr-Wk			14,961	14,961	14,961	14,612	14,961	15,259	19,712		0	
		6120	Faculty Full Time 9-Mo	5,794,255	5,658,206	6,292,630	6,119,019	5,983,578	6,114,869	5,892,092	6,124,871	6,101,312	6,145,166	5,837,908	-5.00%
		6121	Faculty Part Time 9-Mo	133,248	128,930	166,121	67,889	52,287	100,488	151,142	196,838	113,853	115,988	118,308	2.00%
		6125	Adjunct Faculty	486,707	469,115	427,858	396,758	440,580	348,864	400,233	464,683	449,600	415,131	423,434	2.00%
		6126	Summer Faculty	472,959	415,686	382,766	411,671	404,995	343,437	316,757	366,077	324,493	276,250	281,775	2.00%
		6130	Overload	331,302	268,238	226,802	286,488	354,267	321,979	346,742	343,554	345,047	224,862	229,359	2.00%
		6160	Sabbatical	127,653	108,519	77,855	77,352	181,063	114,452	104,688	67,245	80,512	56,138	112,275	100.00%
		6170	Comp Special Work	26,526	30,302	62,747	66,723	72,160	84,040	107,801	141,978	117,162	11,670	12,837	10.00%
		6210	NonBarg Full Time 12-Mo	86,156	87,299	88,793	87,299	87,299	86,920	87,299	127,208	163,064	129,180	130,472	1.00%
		6240	NonBarg Temporary	59,265	23,102	19,988	15,760	21,934	25,886	9,170	5,606	829		0	
		6260	NonBarg Temporary-Exempt		3,000	5,737	4,558	4,150	7,270	7,240	6,200	5,200	4,000	4,040	1.00%
		6310	Clerical Full Time	199,076	213,683	215,095	214,336	217,629	226,840	232,655	230,024	258,608	212,781	244,699	15.00%
		6311	Clerical Part Time	11,653	11,514	12,423	12,423	10,164	5,992	3,008	9,512	10,830	9,119	9,210	1.00%
		6312	Clerical Temporary	6,456	0	0			90		0		0	0	
		6410	Overtime	207			1,348	2,327	2,047	1,003	2,382	4,029	2,362	2,386	1.00%
		6420	Early Retirement	10,079	15,122	(523)							0	0	
		6421	Severance Incentive Program									140,439	0	0	
		6510	Mtnce Purch from GF	162		648	221						0	0	
		6610	Student Sch Year	20,315	13,487	14,623	16,930	21,285	22,942	29,970	39,141	37,664	37,111	38,967	5.00%
		6611	Student Summer	8,904	12,358	6,314	6,084	9,252	17,428	16,378	23,937	16,416	15,100	15,855	5.00%
		6620	Fed Work Study Sch Year	5,200	9,369	8,612	7,712	7,357	9,828	9,829	10,613	10,741	9,540	10,017	5.00%
		6621	Fed Work Study Summer	1,662	1,337	796	2,697	1,537	1,900	706	0	0	0	0	
		6622	FWS Am Reads Sch Year	968	2,077	654	1,189	2,653	466	889	2,016	3,124	3,000	3,030	1.00%
		6630	MI Work Study Sch Year	1,391	896								0	0	
		6631	MI Work Study Summer	153									0	0	
		6710	FICA	589,091	597,102	612,735	595,309	601,103	601,306	587,374	621,912	617,033	594,580	600,526	1.00%
		6721	MPSERS Retirement	308,813	334,531	294,199	383,888	415,856	102,042	90,458	144,762	151,115	122,079	134,287	10.00%
		6722	TIAA Retirement	780,564	824,319	853,150	825,771	836,523	850,521	838,884	846,113	816,660	797,239	876,963	10.00%
		6723	MPSERS Retirement Non-Member						76,605	79,844	156,872	217,775	251,318	276,449	10.00%
		6724	MPSERS Retirement Health Payment						396,334	354,051	74,066		0	0	
		6731	Health Insurance	1,097,375	1,447,634	1,559,976	1,423,522	1,113,242	1,157,832	1,218,159	1,474,759	1,528,104	1,496,624	1,549,006	3.50%
		6732	Health Insurance Riders	22,982	24,365	26,104	12,642	0	394	347	431	445	0	0	
		6735	Life Insurance	15,786	14,269	14,994	14,933	15,560	15,564	15,349	14,444	9,537	10,556	10,662	1.00%
		6736	Long-Term Disability	28,599	26,921	31,337	30,364	29,148	29,922	29,586	28,229	17,396	17,594	17,769	1.00%
		6740	Workers Compensation	60,838	115,928	189,283	31,155	188,832	51,946	193,431	112,545	176,495	203,453	205,487	1.00%
		6750	Unemployment Compensation	25,478	26,564	29,864	28,683	29,026	29,672	7,147	7,355	29,005	31,570	31,886	1.00%
		6760	Employee Tuition Waivers-Rebates	63,998	67,548	83,556	88,338	105,191	101,241	92,082	86,926	95,809	101,594	103,626	2.00%
		6771	Sick-Funding	49,694	86,024	87,997	90,582	97,042	92,241	87,303	0	0	43,656	44,093	1.00%
		6772	Sick-Benefit Paid	0	0	0	32,375	43,781	55,967	0		(13,936)	0	0	
		6775	Vacation-Funding	7,654	41,036	(32,120)	(5,014)	(510)	387	(4,798)	3,480	207	3,990	4,030	1.00%
		6776	Vacation-Benefit Paid	918	7,082	12,763	5,240	10,668	2,946	2,014	7,673	3,022	0	0	
		6777	Vacation-FICA Benefit Paid	70	542	976	401	816	225	154	587	231	0	0	
		6810	Fringe Mtnce from GF	114		275	155	0					0	0	
		6850	Fringe Benefits								(347,970)	(222,838)	0	0	
		7001	Supplies-Office	29,051	23,338	25,774	20,038	20,659	18,737	20,770	19,516	13,569	17,266	17,266	
		7002	Reference Books	11,649	9,769	9,887	19,119	7,842	12,895	11,144	12,306	7,915	4,366	4,366	
		7003	Central Stores	11,209	13,650	11,712	12,819	11,777	11,685	10,729	11,721	10,208	9,744	9,744	
		7004	Supplies-Lab	105,323	136,571	138,959	185,437	157,649	162,009	182,424	189,245	166,808	173,513	173,513	
		7005	Supplies-Aud Visual	8,265	6,247	6,467	15,875	15,576	11,634	18,005	5,979	(431)	3,663	3,663	
		7006	Supplies-Photo-Print		558	1,142	1,101	1,648	2,093	1,229	864	1,398	700	700	
		7008	Supplies-Medical									16	0	0	
		7010	Awards-Plaques	2,575	4,185	3,369	3,647	3,941	4,530	6,976	6,247	4,009	3,731	3,731	
		7012	Uniforms	242	1,086	2,255	242	892	891	1,311	4,130	6,976	7,450	7,450	
		7015	Supplies-LSSU Name-Logo Items	1,262	2,796	4,903	6,578	5,631	9,510	9,432	11,256	2,046	3,900	3,900	
		7020	Supplies-Other	7,966	3,004	4,637	3,739	8,258	27,639	9,042	23,380	10,688	24,547	24,547	
		7030	Copies	76,859	77,830	70,165	86,912	88,490	84,574	82,630	77,126	73,060	70,958	70,958	
		7031	Printing	7,804	9,357	8,110	8,973	9,784	7,835	11,454	14,182	12,871	11,209	11,209	
		7032	Photographic Service	876	23	96	33	11	108	138	155	3	20	20	
		7033	Interlibrary Loan	38		102							0	0	
		7040	Postage	5,523	4,064	4,462	4,782	3,278	5,219	3,580	5,538	3,675	3,425	3,425	
		7050	Telephone	31,137	29,288	29,820	28,245	28,046	29,628	27,845	28,446	28,316	27,020	27,020	

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
		7055	Fax	158	8	4	(1)	2	4	55	0	0	0	0	
		7060	Software	15,141	9,920	24,591	18,258	18,746	5,899	9,896	3,933	23,465	8,633	8,633	
		7061	Software Licenses and Maintenance	30,563	59,883	63,572	56,914	47,546	31,883	36,508	31,665	34,291	40,068	40,068	
		7065	Computer Hardware	81,676	102,793	65,557	90,286	50,989	65,269	45,144	37,495	48,869	13,400	13,400	
		7070	Equipment <2500	25,910	9,759	25,982	9,478	33,080	41,993	87,683	50,389	150,703	54,280	54,280	
		7075	Supplies-Taggable not Capitalized		400			6,680					0	0	
		7090	Abate-Copies		1								0	0	
		7101	Travel in State	58,874	51,250	41,601	40,068	48,065	57,659	49,047	50,034	40,294	37,886	37,886	
		7102	Travel out of State	128,572	122,735	74,389	71,365	101,928	171,148	72,615	115,056	72,551	63,878	63,878	
		7103	Travel Students	1,375	56,961	35,417	17,989	48,236	40,002	96,393	26,730	71,996	26,708	26,708	
		7110	Meetings-Luncheons	4,839	4,713	3,429	7,155	8,537	14,682	15,250	19,256	18,565	14,518	14,518	
		7111	Guest Lodging-Meals	448	1,408	366	1,267	1,599	934	704	1,493	860	877	877	
		7112	Conferences	12,290	11,154	13,826	13,421	27,255	20,296	22,308	29,522	25,392	6,900	6,900	
		7113	Community Relations				66			106	0	0	0	0	
		7130	Recruitment--Employee	238	50		140	258	64	213	1,997	1,013	200	200	
		7131	Recruitment--Student	0	304	3,120	377	534	1,574	2,402	2,991	3,266	4,467	4,467	
		7134	Athletic Entry Fees								216	24	0	0	
		7211	Rental-Equipment	2,418	3,079	3,944	1,886	1,870	3,824	2,250	529	1,992	2,350	2,350	
		7220	Rental-Space	252	2,250	0			0	2,639	13,211	23,906	25,000	25,000	
		7225	Rental-Other	551	490	688	1,843	695	1,549	3,159	779	3,224	3,286	3,286	
		7230	Product Development Center Services						4,000		0		0	0	
		7251	Consultants	3,705	2,090	(15)	4,602	3,250	255	2,500		0	0	0	
		7252	Honorariums	18,067	8,752	6,829	5,521	5,630	6,290	5,699	6,800	4,651	5,550	5,550	
		7253	Contracted Services	59,617	32,793	29,892	29,277	38,081	55,904	17,729	20,617	64,392	18,750	18,750	
		7260	Equipment Serv Contracts				734			51,448	7,905	23,248	29,400	29,400	
		7261	Equipment Mtnc and Repair	6,657	19,338	8,287	12,748	59,812	16,238	13,386	31,553	11,553	28,300	28,300	
		7271	Legal		500	0	0	0			4,664	0	0	0	
		7272	Accreditation	2,060	5,375	2,375	4,780		68		174		0	0	
		7273	Assessment							378	513	364	350	350	
		7275	Insurance	8,048	4,582	6,678	1,707		4,703	3,989	488	1,328	1,845	1,845	
		7290	Linen Service	56	339	88	96	119	318	101	665	466	793	793	
		7291	Dry Cleaning	500	1,103	600	726	907	214	1,097	672	565	900	900	
		7320	License-Permits-Fees	4,687	2,499	2,111	4,699	6,243	8,798	7,298	5,933	2,030	2,004	2,004	
		7335	Test Purchases	7,163	3,297	6,829	6,152	6,561	4,762	5,787	13,999	7,493	12,479	12,479	
		7340	Memberships	15,339	14,380	12,739	13,938	13,797	13,962	15,146	18,355	17,417	10,422	10,422	
		7341	Subscriptions-Magazines	3,070	2,201	1,782	1,837	2,096	1,422	571	1,763	1,482	0	0	
		7342	Library-Online Subscriptions	1,095								1,234	0	0	
		7345	Advertising	2,787	1,616	75	4,740	1,421	248	4,669	806	758	678	678	
		7350	Medical Services	125	115	115	85	190	40	0	15		0	0	
		7356	Theatrical Production Exp	591	1,332	418	1,452	224	164	692	29	583	2,000	2,000	
		7357	Entertainment		0			0	24		0	5	0	0	
		7365	Professional Development	7,006	6,396	7,740	7,101	8,983	12,600	11,935	15,113	14,736	111,000	111,000	
		7395	Miscellaneous	131	246	6,388	(4,800)	0	719	590	8	349	2,500	2,500	
		7501	Supplies-Maintenance		0					298			0	0	
		7520	Haz Material Dispose		2,925	2,343	2,704	3,360	3,961	1,002	19,429	6,021	8,414	8,414	
		7535	Mtnc-Buildings				2,678						0	0	
		7540	Gas and Oil	21					60	0	69	119	217	217	
		7960	Capitalized Equipment Purch	19,696	38,901	18,035	43,202	101,560	59,433	212,442	143,006	198,875	84,265	84,265	
		7961	Capitalized Equipment-InfoTech			30,886							0	0	
		7962	Vehicles		1,500				8,700	0			0	0	
		7980	Cost Share-Grant Matching	33,135	45,596	41,463	32,761	44,696	40,352	41,854	60,463	49,892	55,000	55,000	
	Instruction Total			11,858,449	12,795,487	12,934,904	12,485,107	12,648,774	12,754,437	12,809,405	12,808,549	13,078,613	12,554,123	12,543,563	
10 Total				11,858,449	12,795,487	12,934,904	12,485,107	12,648,774	12,754,437	12,809,405	12,808,549	13,078,613	12,554,123	12,543,563	-0.08%
20	Research	6010	Admin Full Time 12-Mo	49,019	41,433	41,433	41,433	41,433	41,274	41,433	42,248	43,262	42,941	43,370	1.00%
		6120	Faculty Full Time 9-Mo	12,284	12,938	13,197	13,197	13,197	13,197	13,197	0	29,027	29,740	30,037	1.00%
		6126	Summer Faculty					0	0		2,380	1,480	0	0	
		6160	Sabbatical								14,294	0	0	0	
		6170	Comp Special Work	6,609	9,135	6,988	5,125	5,620	7,313	8,184	7,139	10,485	12,884	13,013	1.00%
		6240	NonBarg Temporary	0	0	281		0		1,000	1,000	2,000	2,000	2,020	1.00%
		6410	Overtime								49		0	0	
		6610	Student Sch Year	7,697	5,244	8,503	8,839	7,175	9,015	6,579	7,973	9,539	8,292	8,706	5.00%
		6611	Student Summer	11,097	8,506	9,515	9,896	7,481	11,843	10,977	12,548	10,480	11,000	11,550	5.00%
		6620	Fed Work Study Sch Year	505	2,370		272	1,441	466	543	79	304	83	87	5.00%

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
		6621	Fed Work Study Summer	1,071	429	980	550	1,000	316	0	250	255	260	273	5.00%
		6710	FICA	5,968	5,653	5,574	5,313	5,222	5,564	5,390	5,749	7,097	6,699	6,766	1.00%
		6721	MPSERS Retirement	16,877	15,330	16,680	20,725	24,028	6,609	7,864	13,088	16,804	15,454	17,000	10.00%
		6722	TIAA Retirement	2,267	2,649	2,422	2,234	2,297	2,520	2,563	2,432	4,957	3,284	3,613	10.00%
		6723	MPSERS Retirement Non-Member							166	283	643	0	0	
		6724	MPSERS Retirement Health Payment						2,906	2,795	626		0	0	
		6731	Health Insurance	16,128	17,179	18,148	16,324	12,446	12,317	12,559	15,579	21,352	20,926	21,658	3.50%
		6735	Life Insurance	231	167	155	154	157	158	159	148	116	135	136	1.00%
		6736	Long-Term Disability	355	289	301	296	288	288	291	277	206	225	227	1.00%
		6740	Workers Compensation	618	986	1,433	268	1,475	394	1,526	950	1,755	2,108	2,129	1.00%
		6750	Unemployment Compensation	259	225	226	226	226	226	57	63	288	327	330	1.00%
		6760	Employee Tuition Waivers-Rebates	648	572	633	697	823	773	728	729	959	1,054	1,064	1.00%
		6772	Sick-Benefit Paid				292	324	487				0	0	
		6775	Vacation-Funding	(6,287)							123	59	0	0	
		6776	Vacation-Benefit Paid	5,489									0	0	
		6777	Vacation-FICA Benefit Paid	420									0	0	
		6850	Fringe Benefits								(2,940)	(3,188)	0	0	
		7001	Supplies-Office	453	41	98	29		1,339	374	48	50	500	500	
		7002	Reference Books				4			72	39		0	0	
		7004	Supplies-Lab	435	8,596	4,752	2,903	1,699	2,516	1,611	4,183	970	5,000	5,000	
		7005	Supplies-Aud Visual					29	1	548			150	150	
		7008	Supplies-Medical			70							0	0	
		7010	Awards-Plaques				44						0	0	
		7015	Supplies-LSSU Name-Logo Items			0			0		0	1,749	0	0	
		7020	Supplies-Other	799	201	527	2,487	2,750	1,809	3,180	1,414	1,774	4,000	4,000	
		7030	Copies	93	92	87	60	290	87	62	57	85	100	100	
		7031	Printing	40	876	89	144	263	818	913	211	942	250	250	
		7040	Postage	113	207	15	17	20	26	257	173	60	175	175	
		7050	Telephone	915	773	903	928	890	859	861	957	1,044	986	986	
		7060	Software							0	614		200	200	
		7065	Computer Hardware		251				0	1,081	100	0	8,500	8,500	
		7070	Equipment <2500	0	2,587	1,187	977	4,993	1,643	225	2,376	5,652	2,500	2,500	
		7101	Travel in State	322	901	1,033	1,378	332	123	0	544	1,198	600	600	
		7102	Travel out of State	4		168		3		(17)	(1)	161	0	0	
		7110	Meetings-Luncheons	51	232	348	288	302	359	599	444	1,862	500	500	
		7112	Conferences		265		100						0	0	
		7131	Recruitment--Student	25				30	20	0	0	125	0	0	
		7211	Rental-Equipment									625	0	0	
		7251	Consultants									3,200	0	0	
		7253	Contracted Services	360	630	293	180	2,682	180	925	30	1,000	0	0	
		7260	Equipment Serv Contracts								260	180	260	260	
		7261	Equipment Mtnc and Repair	447	1,744	2,334	1,772	1,894	3,382	1,400	1,308	4,249	1,500	1,500	
		7275	Insurance	3,635	5,258	3,682	3,216	5,536	5,013	6,963	6,460	7,351	5,000	5,000	
		7320	License-Permits-Fees		50	55	55	80		0	73	63	76	76	
		7345	Advertising								300		0	0	
		7395	Miscellaneous								40	(80)	0	0	
		7540	Gas and Oil	202	410	1,281	2,091	2,755	4,333	3,343	2,214	1,720	1,800	1,800	
		7580	Trash Removal				56						0	0	
		7960	Capitalized Equipment Purch			21,000	2,820	11,215		8,363		16,846	0	0	
		7962	Vehicles			7,758							0	0	
	Research Total			139,147	146,218	172,146	145,388	160,369	138,201	146,223	147,460	208,706	189,508	194,077	
20 Total				139,147	146,218	172,146	145,388	160,369	138,201	146,223	147,460	208,706	189,508	194,077	2.41%
40	Academic Support	6010	Admin Full Time 12-Mo	759,924	534,906	787,283	1,125,737	945,448	1,037,233	1,095,874	1,069,529	1,145,732	885,250	894,102	1.00%
		6020	Admin Full Time 9-Mo WB			0		6,942	6,221	17,274	31,298	30,347	28,741	29,028	1.00%
		6030	Admin Part Time <27 Hr-Wk	39,828	45,078	52,459	39,937	29,967	27,902	0	0	0	0	0	
		6031	Admin Part Time >27 Hr-Wk	12,726	15,660	15,619	16,003	15,801	15,740	15,680	16,109	20,776	20,670	20,877	1.00%
		6040	Admin Temporary		1,716		216	1,262		3,786	650	13,288	0	0	
		6120	Faculty Full Time 9-Mo	12	0	0	13,598	13,598	6,799				0	0	
		6125	Adjunct Faculty				625	0				625	0	0	
		6126	Summer Faculty								225	304	0	0	
		6130	Overload	2,458	466	2,446	252	847		9,225	7,893	9,614	7,000	7,070	1.00%
		6150	Lib-Counselr Full Time 9-Mo	94,907	92,779	43,880	44,703	46,811	43,880	43,880	0		0	0	
		6151	Lib-counselr Full Time 12-Mo	114,164	121,409	124,175	120,039	124,061	123,867	124,343	126,103	128,620	98,756	99,744	1.00%

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
40	Academic Support	6170	Comp Special Work	7,728	16,255	20,866	18,245	23,325	19,380	14,536	20,208	37,356	25,250	25,503	1.00%
		6210	NonBarg Full Time 12-Mo	66,312	57,570	69,915	163,214	163,002	182,750	189,850	148,594	141,788	109,195	110,287	1.00%
		6230	NonBarg Part Time <27 Hr-Wk	30,432	27,479	914	967	1,242	819	1,273	1,234	1,606	7,969	8,049	1.00%
		6240	NonBarg Temporary	1,706	13,777	0	0	0	14,543		27,475	0	0	0	
		6260	NonBarg Temporary-Exempt								11,183	14,875	0	0	
		6310	Clerical Full Time	132,622	142,232	138,549	128,619	130,062	129,959	138,077	134,575	116,568	142,580	144,005	1.00%
		6410	Overtime	0	208	17	5,782	6,679	6,027	58	38	299	0	0	
		6421	Severance Incentive Program									16,494	0	0	
		6560	Split Computing Services-Salary				(337,942)	(341,086)	(358,530)	(421,952)	(421,952)	(474,038)	0	0	
		6610	Student Sch Year	107,551	113,737	109,249	106,809	113,840	86,309	94,674	101,851	100,565	86,416	90,737	5.00%
		6611	Student Summer	29,411	34,034	38,873	29,994	34,452	46,877	44,023	40,604	46,631	47,186	49,545	5.00%
		6620	Fed Work Study Sch Year	12,865	29,469	13,932	15,476	13,087	15,655	15,691	13,318	16,697	18,500	19,425	5.00%
		6621	Fed Work Study Summer	3,963	2,427	781	1,960	39	1,000	1,461	1,332	475	500	525	5.00%
		6630	MI Work Study Sch Year	2,011	1,175								0	0	
		6631	MI Work Study Summer	678									0	0	
		6710	FICA	95,484	81,306	95,918	126,865	114,520	122,214	124,172	119,980	125,928	101,394	102,408	1.00%
		6721	MPSERS Retirement	146,434	158,894	172,681	216,217	204,249	54,184	56,458	89,739	105,709	45,566	50,123	10.00%
		6722	TIAA Retirement	97,700	72,828	97,498	144,694	133,628	144,506	153,773	143,325	147,406	128,444	141,288	10.00%
		6723	MPSERS Retirement Non-Member						27,694	31,585	50,768	59,350	46,324	50,956	10.00%
		6724	MPSERS Retirement Health Payment						82,436	81,530	21,439		0	0	
		6731	Health Insurance	223,547	233,237	216,702	302,636	243,072	269,572	283,894	326,062	356,292	322,346	333,628	3.50%
		6732	Health Insurance Riders	10,832	12,229	11,165	5,407	0	1,993	2,694	2,569	2,301	0	0	
		6735	Life Insurance	3,446	2,656	2,749	4,060	3,856	4,051	4,276	3,573	2,421	2,283	2,305	1.00%
		6736	Long-Term Disability	5,657	4,710	5,370	7,832	7,175	7,408	7,852	6,683	4,254	3,804	3,842	1.00%
		6740	Workers Compensation	11,943	18,317	31,113	7,702	39,589	11,341	45,194	26,094	39,898	37,560	37,935	1.00%
		6750	Unemployment Compensation	5,016	4,192	4,904	6,831	6,087	6,486	1,668	1,708	6,557	5,828	5,887	1.00%
		6760	Employee Tuition Waivers-Rebates	12,020	10,233	13,225	20,641	21,642	21,843	21,409	20,071	21,711	18,365	18,732	2.00%
		6771	Sick-Funding	15,996	14,385	9,912	13,944	9,643	10,931	14,765	0	0	7,380	7,454	1.00%
		6772	Sick-Benefit Paid			0	2,333	2,594	1,947			0	0	0	
		6775	Vacation-Funding	(3,169)	(28,121)	29,614	(9,219)	(9,940)	2,411	6,325	10,947	(15,534)	4,998	5,048	1.00%
		6776	Vacation-Benefit Paid	24,373	15,405	10,011	8,967	23,078	569	9,181	9,833	24,815	0	0	
		6777	Vacation-FICA Benefit Paid	1,865	1,178	766	686	1,765	44	702	752	1,898	0	0	
		6850	Fringe Benefits								(80,640)	(53,750)	0	0	
		6860	Split Computing Services-Fringe				(157,650)	(158,961)	(158,936)	(207,042)	(207,042)	(208,744)	0	0	
		7001	Supplies-Office	38,622	33,648	33,639	28,009	25,691	16,327	20,458	16,779	15,695	13,725	13,725	
		7002	Reference Books	1,229	914	1,393	2,171	2,689	3,046	1,046	1,031	188	750	750	
		7003	Central Stores	5,748	6,935	7,027	6,926	7,491	6,667	6,115	5,922	5,308	4,893	4,893	
		7004	Supplies-Lab		221	305		265		0	1,197	0	1,250	1,250	
		7005	Supplies-Aud Visual	8,456	6,820	7,006	12,800	15,740	14,431	16,605	2,210	235	10,200	10,200	
		7006	Supplies-Photo-Print	593		50	74	628	138	7	15	0	15	15	
		7008	Supplies-Medical									16	0	0	
		7010	Awards-Plaques	496	1,233	1,603	974	4,112	2,522	1,440	1,204	917	3,100	3,100	
		7012	Uniforms			43		787	559	0	160	406	250	250	
		7015	Supplies-LSSU Name-Logo Items	235				1,828	8,098	5,751	8,063	5,081	7,360	7,360	
		7020	Supplies-Other	445	788	1,726	2,078	7,386	1,137	5,389	2,446	1,944	2,385	2,385	
		7030	Copies	8,544	7,434	6,979	8,791	22,120	29,136	28,376	29,878	27,316	29,850	29,850	
		7031	Printing	2,539	7,637	6,905	4,670	3,687	9,283	7,534	9,627	5,174	9,339	9,339	
		7032	Photographic Service			217		103	117	128	118	120	130	130	
		7033	Interlibrary Loan	469	684	2,467	293	526	139	417	322	254	1,000	1,000	
		7034	Microfilm-Fiche									298	0	0	
		7040	Postage	4,515	3,388	2,640	2,024	2,008	3,551	3,043	3,259	2,505	3,148	3,148	
		7050	Telephone	9,118	8,110	8,250	10,058	10,739	9,167	7,153	7,086	7,133	5,765	5,765	
		7055	Fax	6	1	10	2	1	2	0	0	1	0	0	
		7060	Software	4,912	4,396	12,880	694	2,424	52	3,167	2,463	7,083	1,200	1,200	
		7061	Software Licenses and Maintenance	61,202	109,616	64,702	433,994	496,605	519,356	580,398	572,535	577,347	45,995	45,995	
		7065	Computer Hardware	51,740	55,790	21,512	114,432	149,382	47,094	62,714	55,462	23,620	24,741	24,741	
		7069	Split Computing Services-Suppli&Exp				(457,930)	(449,608)	(411,465)	(383,963)	(383,963)	(382,211)	0	0	
		7070	Equipment <2500	26,488	6,159	14,919	15,975	43,364	85,006	48,086	7,896	3,528	2,150	2,150	
		7082	Abate-Library Misc	(134)	(45)	(10)	(339)	(63)	(245)	(333)	(473)	(335)	0	0	
		7083	Abate-AV Supplies	(21,984)	(18,589)	(22,619)	(35,439)	(38,245)	(32,352)	(37,637)	(20,728)	(5,288)	0	0	
		7084	Abate-Info Services	(10,783)	(1,817)	(2,037)							0	0	
		7090	Abate-Copies	(5,744)	(3,350)	(1,913)	(3,214)	(2,378)	(2,070)	(1,644)	(1,421)	(754)	0	0	
		7091	Abate-Printing				(5)						0	0	

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
		7101	Travel in State	21,107	17,492	20,119	32,490	28,207	32,139	31,770	23,002	22,746	29,599	29,599	
		7102	Travel out of State	16,558	10,998	7,490	21,851	31,989	30,252	37,809	38,417	16,781	12,946	12,946	
		7103	Travel Students			0	499	510		904	0	48	900	900	
		7110	Meetings-Luncheons	5,160	5,632	8,239	11,446	7,402	26,203	27,357	26,275	21,522	20,163	20,163	
		7111	Guest Lodging-Meals	518	1,037	155	337	539	2,311	8,788	11,444	5,682	2,200	2,200	
		7112	Conferences	9,177	3,519	3,668	10,169	10,416	9,112	5,871	7,839	8,331	19,280	19,280	
		7113	Community Relations				20	100					0	0	
		7120	Moving Expenses				1,487				3,498		0	0	
		7130	Recruitment--Employee	1,037	42						2,382	3,961	5,200	5,200	
		7131	Recruitment--Student		0			0	42	1,415	2,766	487	500	500	
		7210	Rental-Media		239		35			135		0	0	0	
		7211	Rental-Equipment	9,602	6,944	7,049	6,000	4,980		200	0	230	300	300	
		7212	Rental-IATV Services	416	2,269	2,394		86		0	4,632	0	8,000	8,000	
		7220	Rental-Space		1,043	20,703	5,488	7,513	8,531	10,861	7,067	3,941	0	0	
		7225	Rental-Other	40	40								0	0	
		7230	Product Development Center Services						5,180				0	0	
		7251	Consultants			21,833	35,944	9,929	54,250	17,500	0	32,000	30,000	30,000	
		7252	Honorariums	242	(83)				4,340	0	61	1,788	2,500	2,500	
		7253	Contracted Services	55,983	60,238	5,421	23,788	36,280	16,165	28,904	37,870	86,203	27,400	27,400	
		7260	Equipment Serv Contracts	9,128	6,825	11,485	34,570	13,625	6,580	7,047	8,250	983	0	0	
		7261	Equipment Mtnc and Repair	4,286	4,416		1,686	2,628	9,263	340	2,578	0	2,400	2,400	
		7271	Legal		250								0	0	
		7272	Accreditation	16,512	5,315	16,480	13,416	47,043	39,979	26,954	43,263	33,869	49,500	49,500	
		7273	Assessment									2,000	6,000	6,000	
		7275	Insurance		0	(80)	(240)		0	0	0	0	0	0	
		7290	Linen Service	60				34		0			0	0	
		7301	Bank Service Charges	12			40	40					0	0	
		7303	Cash Over-Short	(1)	(0)	(7)	3	(3)	(0)	8	(51)	(25)	0	0	
		7304	Gain-Loss Can Exchange					(2)		(1)			0	0	
		7320	License-Permits-Fees	4,639	4,078	4,874	1,994	3,385	56	2,382	5,643	5,643	3,500	3,500	
		7325	Bad Debts	217	356	16	3		65		208	53	0	0	
		7335	Test Purchases		7,730	9,743	12,601	8,424	6,782	11,138	12,150	8,100	0	0	
		7340	Memberships	5,950	16,589	11,905	17,956	16,836	21,539	22,126	19,618	13,784	21,445	21,445	
		7341	Subscriptions-Magazines	175	1,275	277	603	421	453	1,473	999	837	925	925	
		7342	Library-Online Subscriptions	102,185	131,591	135,018	125,131	143,364	150,244	232,304	272,763	186,500	232,429	232,429	
		7345	Advertising	1,438	2,137	1,575	4,875	6,977	2,848	0	785	685	2,700	2,700	
		7350	Medical Services		55	20	45	89					0	0	
		7355	Concerts and Lectures				2,672	1,500	492	0	2,500	9	200	200	
		7357	Entertainment					104		677			0	0	
		7365	Professional Development	1,210	645	60		0	125		175	135	0	0	
		7395	Miscellaneous	1,227	(16)	0	0	22		460	19,460	20,000	4,950	4,950	
		7501	Supplies-Maintenance							3,218		0	0	0	
		7520	Haz Material Dispose							1,561		0	0	0	
		7535	Mtnc-Buildings				29,483			8,486		0	0	0	
		7960	Capitalized Equipment Purch		0		5,215	4,764		0	0		0	0	
		7961	Capitalized Equipment-InfoTech	20,362	16,925	20,075	69,444	23,285	52,001	4,060	3,149	6,051	0	0	
		7965	Library Books	21,205	14,364	23,947	13,087	17,478	21,322	17,397	21,016	10,405	19,000	19,000	
		7966	Library Periodicals	151,357	154,898	128,304	130,145	127,026	137,958	51,157	46,920	30,463	28,000	28,000	
		7967	Library Binding	2,484	3,053	528	0	477		0	0	0	0	0	
		7968	Other Library									8,540	5,500	5,500	
		7980	Cost Share-Grant Matching	176,116	232,423	212,003	161,610	158,886	157,782	154,547	153,864	152,044	201,000	201,000	
	Academic Support Total			2,895,554	2,794,115	2,961,574	3,117,108	2,999,014	3,122,832	3,117,284	2,975,761	2,968,514	3,106,088	3,162,287	
40 Total				2,895,554	2,794,115	2,961,574	3,117,108	2,999,014	3,122,832	3,117,284	2,975,761	2,968,514	3,106,088	3,162,287	1.81%
50	Student Services	6010	Admin Full Time 12-Mo	742,261	752,415	782,221	877,673	882,317	880,496	895,290	909,589	913,753	740,970	748,380	1.00%
		6020	Admin Full Time 9-Mo WB	55,506	56,231	55,939	65,324	66,554	65,939	65,939	65,950	35,872	20,447	20,652	1.00%
		6030	Admin Part Time <27 Hr-Wk						5,704			26,374	24,545	24,791	1.00%
		6032	Admin Part Time 9-Mo								15,675		0	0	
		6040	Admin Temporary	150		2,315	0	7,961	14,046	13,512	8,100	6,521	0	0	
		6120	Faculty Full Time 9-Mo	29,059	29,663	30,259	0	0	0				0	0	
		6125	Adjunct Faculty					23,256	15,360	15,360	0		0	0	
		6150	Lib-Counselr Full Time 9-Mo	41,320	42,146	44,064	53,971	53,998	53,997	53,998	54,943	56,587	58,097	58,678	1.00%
		6152	Lib-Counselr Part Time	28,872	37,793	40,051	0	0	0				0	0	
		6170	Comp Special Work				2,409			1,331			0	0	

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
50	Student Services	6210	NonBarg Full Time 12-Mo	31,474	31,870	31,359	45,934	28,005	31,200	31,320	33,233	31,615	64,980	65,629	1.00%
		6230	NonBarg Part Time <27 Hr-Wk							13,568	17,653	26,451	15,586	15,742	1.00%
		6240	NonBarg Temporary	25,800	38,475	26,550	103	50	98	1,095	10,338	8,658	0	0	
		6310	Clerical Full Time	188,067	193,277	183,932	170,000	178,196	187,949	185,412	185,065	168,407	140,754	142,162	1.00%
		6332	Mtnce-Security-CHP Temp								590		0	0	
		6410	Overtime	148	227	246	118	194	245	195	131	493	100	0	-100.00%
		6421	Severance Incentive Program									33,644	0	0	
		6510	Mtnce Purch from GF	368	251	566							0	0	
		6610	Student Sch Year	22,138	39,497	35,502	49,275	44,691	47,251	44,074	36,759	49,355	16,954	17,802	5.00%
		6611	Student Summer	14,614	14,567	11,792	15,924	18,957	22,863	15,926	22,051	17,759	19,214	20,175	5.00%
		6620	Fed Work Study Sch Year	10,347	17,522	12,427	11,009	11,413	11,067	9,493	12,486	9,585	9,100	9,555	5.00%
		6621	Fed Work Study Summer	2,950	3,568	1,438	2,139	1,311	1,428	1,805	1,522	2,132	1,571	1,650	5.00%
		6630	MI Work Study Sch Year	1,837	2,431								0	0	
		6631	MI Work Study Summer	1,398		357							0	0	
		6710	FICA	85,099	88,238	89,800	93,001	92,752	92,664	95,584	96,412	97,852	81,509	82,324	1.00%
		6721	MPSERS Retirement	124,882	140,576	144,181	181,326	181,001	43,898	47,023	68,915	65,241	42,049	46,254	10.00%
		6722	TIAA Retirement	88,323	89,572	94,730	97,201	100,175	104,828	105,604	110,878	108,252	100,053	110,058	10.00%
		6723	MPSERS Retirement Non-Member						20,549	26,056	51,595	76,705	40,896	44,986	10.00%
		6724	MPSERS Retirement Health Payment						64,928	62,852	16,946		0	0	
		6731	Health Insurance	279,060	346,823	339,934	329,663	259,717	263,544	265,940	337,998	394,431	328,439	339,934	3.50%
		6732	Health Insurance Riders	4,208	3,582	1,125	757	0	819	1,276	1,726	1,111	620	620	
		6735	Life Insurance	4,126	3,587	3,512	3,614	3,760	4,028	3,940	3,652	2,286	2,485	2,509	1.00%
		6736	Long-Term Disability	6,644	6,462	6,879	7,011	7,020	7,364	7,234	6,827	4,021	4,141	4,183	1.00%
		6740	Workers Compensation	10,743	20,302	30,154	5,447	32,885	9,075	34,680	21,740	31,072	30,899	31,208	1.00%
		6750	Unemployment Compensation	4,232	4,486	4,758	4,892	5,053	5,189	1,277	1,416	5,107	4,795	4,843	1.00%
		6760	Employee Tuition Waivers-Rebates	11,347	11,807	13,338	15,075	18,356	17,724	16,347	16,367	16,197	15,094	15,395	2.00%
		6771	Sick-Funding	13,715	8,648	9,358	11,587	9,627	8,048	9,344	0	0	4,674	4,721	1.00%
		6772	Sick-Benefit Paid				21,536		0	(972)		12,821	0	0	
		6775	Vacation-Funding	13,908	6,858	1,334	13,099	13,564	(1,510)	(16,439)	(23,568)	(16,089)	6,498	6,563	1.00%
		6776	Vacation-Benefit Paid	507	2,425	6,567	8,105	8,628	18,029	16,193	26,557	26,654	0	0	
		6777	Vacation-FICA Benefit Paid	39	148	502	87	660	2,531	1,239	2,032	2,039	0	0	
		6810	Fringe Mtnce from GF	257	176	373							0	0	
		6850	Fringe Benefits								(67,200)	(59,038)	0	0	
		7001	Supplies-Office	9,280	6,450	8,401	10,862	12,278	11,638	8,905	10,904	9,357	10,684	10,684	
		7002	Reference Books	451		1,138	918	2,054	795	514	590	272	738	738	
		7003	Central Stores	2,702	2,911	1,871	2,841	3,007	1,610	2,609	2,446	2,089	2,576	2,576	
		7004	Supplies-Lab			23							0	0	
		7005	Supplies-Aud Visual	924	1,438	2,072	2,364	1,647	2,354	1,559	102	196	19	19	
		7006	Supplies-Photo-Print	34		28	11	11		0	204	706	204	204	
		7010	Awards-Plaques	9,245	7,243	5,326	7,071	13,484	4,688	2,396	15,139	4,686	4,090	4,090	
		7012	Uniforms				1,070	2,686	1,403	310	1,170	405	279	279	
		7015	Supplies-LSSU Name-Logo Items	11,678	10,688	10,627	14,214	13,882	23,373	17,450	16,074	15,096	14,496	14,496	
		7020	Supplies-Other	3,623	3,753	1,339	3,176	3,284	5,600	6,947	2,012	7,866	3,580	3,580	
		7022	Supplies-Athletic Equipment	552	1,463	102	4,603	12,840	5,402	599	527	2,828	0	0	
		7030	Copies	11,227	10,933	9,178	9,165	8,616	8,646	7,835	6,283	7,111	6,187	6,187	
		7031	Printing	116,261	76,397	58,600	68,390	45,423	60,621	40,892	41,404	39,939	41,472	41,472	
		7032	Photographic Service						226				0	0	
		7040	Postage	56,621	48,552	50,827	49,190	40,144	57,986	56,115	59,068	38,756	58,709	58,709	
		7050	Telephone	9,894	9,530	7,509	6,808	7,204	8,162	7,241	7,254	7,254	7,262	7,262	
		7055	Fax	37	23	11	6	9	17	10	7	5	21	21	
		7060	Software	293	100	170	90	30	5,703	9,800	8,568	119	0	0	
		7061	Software Licenses and Maintenance	3,668	3,475	1,745	1,845	2,096	2,393	570	599	31,346	11,750	11,750	
		7065	Computer Hardware	6,944	14,558	5,800	10,069	7,931	7,902	12,180	6,870	277	2,200	2,200	
		7070	Equipment <2500	3,671	6,987	2,038	2,750	2,720	9,450	501	9,127	7,228	2,682	2,682	
		7101	Travel in State	69,817	73,904	72,182	69,409	80,617	73,746	75,764	85,372	81,988	86,743	86,743	
		7102	Travel out of State	15,440	11,357	16,936	13,997	16,806	22,716	26,726	22,842	31,567	24,309	24,309	
		7103	Travel Students	20								84	0	0	
		7110	Meetings-Luncheons	6,100	6,945	16,587	21,163	19,198	26,637	19,763	23,063	26,380	23,370	23,370	
		7111	Guest Lodging-Meals	412						78	410	75	900	900	
		7112	Conferences	3,673	4,715	7,441	6,537	2,821	4,350	4,523	6,437	5,906	5,426	5,426	
		7120	Moving Expenses		0	328					862		862	862	
		7130	Recruitment--Employee	359	0	63				384		557	0	0	
		7131	Recruitment--Student	42,318	61,820	57,474	43,975	102,760	58,520	82,521	88,978	81,300	88,978	88,978	

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
		7134	Athletic Entry Fees	1,800	180								0	0	
		7211	Rental-Equipment		20			50	95	235	100	205	80	80	
		7220	Rental-Space			200						0	0	0	
		7251	Consultants	751		13,500	21,060	0	250		1,000	1,680	0	0	
		7252	Honorariums	3,100	500		150	500	2,380	1,000	3,000	2,550	2,750	2,750	
		7253	Contracted Services	1,022		40,210	36,000	33,165	86,782	56,600	19,579	19,670	18,000	18,000	
		7255	Cable-Internet Service									1,534	0	0	
		7260	Equipment Serv Contracts	860	555	1,418	925	779	688	0	0	0	100	100	
		7261	Equipment Mtnc and Repair	467		210	63	345	154	0	0	0	100	100	
		7291	Dry Cleaning	8	8							79	0	0	
		7302	Bank Chg-Credit Card	631	585	845	1,127	1,114	1,427	2,007	1,828	1,654	1,828	1,828	
		7303	Cash Over-Short	100	(64)	10	(19)	0					0	0	
		7304	Gain-Loss Can Exchange	(76)		2	4	1		4			0	0	
		7320	License-Permits-Fees	55	100							304	130	130	
		7335	Test Purchases	1,169		2,573	73	0		150	132	0	150	150	
		7340	Memberships	5,766	5,810	6,087	7,037	4,147	4,523	6,381	6,471	4,513	5,519	5,519	
		7341	Subscriptions-Magazines	601	722	3,726	3,131	3,373	3,449	4,213	1,706	1,218	1,005	1,005	
		7342	Library-Online Subscriptions		20								0	0	
		7345	Advertising	35,164	21,560	10,870	9,392	10,231	10,553	4,852	8,576	12,606	8,576	8,576	
		7355	Concerts and Lectures		3,500		2,550			4,309		0	500	500	
		7357	Entertainment	750	770	520	770	270	800	300	300	300	300	300	
		7365	Professional Development			470			495	495	0		0	0	
		7395	Miscellaneous		299				16				0	0	
		7501	Supplies-Maintenance	175									0	0	
		7525	Mtnc-Land Improv			0						2,194	0	0	
		7535	Mtnc-Buildings			0	814						0	0	
		7540	Gas and Oil									(0)	0	0	
		7960	Capitalized Equipment Purch			1,163			1,150		4,005		0	0	
		7961	Capitalized Equipment-InfoTech						5,407				0	0	
	Student Services Total			2,280,982	2,391,428	2,425,179	2,519,879	2,505,621	2,521,459	2,492,232	2,509,385	2,607,771	2,211,043	2,255,386	
50 Total				2,280,982	2,391,428	2,425,179	2,519,879	2,505,621	2,521,459	2,492,232	2,509,385	2,607,771	2,211,043	2,255,386	2.01%
55	Student Aid	7600	Native Am Tuition Waiver	676,626	802,293	822,073	765,410	705,156	754,767	741,236	982,056	850,429	900,000	945,000	5.00%
		7610	Athletic Grant in Aid	940,959	1,052,832	1,067,949	1,188,072	1,187,284	1,234,922	1,328,866	1,431,067	1,355,454	1,380,000	1,324,800	-4.00%
		7611	Athletic Grant in Aid-Books					17,449	28,254	27,328	34,221	20,305	35,000	35,000	0.00%
		7612	Athletic Grant in Aid-Meal Plan									8,910	10,000	10,000	0.00%
		7620	Bd of Trustees Scholarship	1,198,541	1,336,152	1,379,697	1,640,574	1,862,409	1,951,825	2,074,955	2,110,268	1,803,420	2,195,000	2,019,400	-8.00%
		7621	Bd of Trustees Grant	104,499	219,538	243,416	217,392	265,973	307,875	412,275	444,861	369,423	420,000	420,000	0.00%
		7623	LSSU-Phi Theta Kappa Scholarship		3,500	14,000	16,000	22,375	22,500	19,500	10,500	7,915	10,000	10,000	0.00%
		7630	Seog Matching Sch	36,636	12,896	31,686	35,071	23,332	27,571	24,809	27,526	12,196	27,850	27,850	0.00%
		7640	Scholarships Awarded	458	1,530	(2,031)		445	286	16	505	145	40,000	40,000	0.00%
		7651	High School Dual Enroll Grant	1,664	3,718	21,082	27,847	26,905	18,076	30,011	37,592	42,027	42,000	42,000	0.00%
		7653	LSSU-Special Grant	16,049	3,351	28,550	1,000	3,474	5,979	30,636	1,000	1,450	1,000	1,000	0.00%
		7656	Concurrent Enrollment Waiver								398,560	301,132	312,000	312,000	0.00%
		7657	LSSU-Public Academy Awards	6,000	8,000	1,000	2,500	2,700	3,200	1,000	4,000	9,000	20,000	20,000	0.00%
		7658	Soc Automotive Eng-SAE	1,000									0	0	
		7659	Dual Enroll Soo College	12,409	5,198	10,742	9,747	8,531		0			0	0	
		7660	Adv Tech Academy Waiver	501,127	0	9,548	81,586	58,380	31,855	50,520	0		0	0	
		7662	EUPISD High School ITV Waiver	16,292	9,486	50,560	90,891	180,426	198,908	204,017	0		0	0	
		7663	Charter Sch-Antrim Dual Enroll Waiv	4,842									0	0	
		7664	Charter Sch-Boyme Dual Enroll Waiv	22,439	6,333	22,734	17,399	29,532	33,204	0	0		0	0	
		7665	Charter Sch-Petoskey Dual Enrl Waiv	9,146		4,968	2,664	2,568	3,990	0	0		0	0	
		7666	Charter Sch-GrandTrav DualEnrl Waiv	11,472	22,264		54,184	(3,600)		0	5,400		0	0	
		7669	Foreign Student Group Rate Adjust		190,201	33,384	17,581		12,761	8,178	25,648	36,716	40,000	40,000	0.00%
		7670	Study Abroad Tuition Waiver					2,136		6,560	101	0	0	0	
		7671	LSSU Open Seat Waiver-Upward Bound							1,990	3,919	1,732	5,000	5,000	0.00%
		7672	ChartrSch-CharltnHestnDualEnrl Waiv							12,420			0	0	
	Student Aid Total			3,560,159	3,677,291	3,739,358	4,167,917	4,395,473	4,635,973	4,974,315	5,517,223	4,820,254	5,437,850	5,252,050	
55 Total				3,560,159	3,677,291	3,739,358	4,167,917	4,395,473	4,635,973	4,974,315	5,517,223	4,820,254	5,437,850	5,252,050	-3.42%
60	Institutional Support	6010	Admin Full Time 12-Mo	1,577,710	1,957,862	1,543,863	1,326,849	1,393,754	1,439,876	1,451,834	1,562,605	1,544,774	1,702,940	1,668,881	-2.00%
		6020	Admin Full Time 9-Mo WB	1,990	457	189							0	0	
		6030	Admin Part Time <27 Hr-Wk				6,415	3,096	23,135	19,751	20,267	16,637	28,947	29,236	1.00%
		6032	Admin Part Time 9-Mo	1,230	1,337	1,274	690	397	27				0	0	
		6040	Admin Temporary	12,072	0	5,062	39,691	8,796	0	314	1,643	12,092	6,500	6,565	1.00%

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
60	Institutional Support	6170	Comp Special Work	16,221	1,479				3,500	3,500	9,500	12,017	7,000	7,070	1.00%
		6210	NonBarg Full Time 12-Mo	134,602	160,415	153,252	73,318	72,147	41,330	41,489	11,987	0	34,437	34,781	1.00%
		6230	NonBarg Part Time <27 Hr-Wk	14,740	14,961	14,961	14,961	14,961	14,903	14,961	15,259	16,457	6,307	6,370	1.00%
		6240	NonBarg Temporary	3,234	4,707	4,362	20,810	7,607	6,178	10,771	15,060	39,144	23,600	23,836	1.00%
		6260	NonBarg Temporary-Exempt	5,284	26,600	0	7,725	0	0				0	0	
		6310	Clerical Full Time	199,921	200,542	165,167	134,783	127,910	127,934	118,067	116,175	150,083	69,744	70,442	1.00%
		6311	Clerical Part Time					1,931	2,820	1,561	4,510	6,112	9,119	9,210	1.00%
		6312	Clerical Temporary	0		113	112		2,540	2,240	0		0	0	
		6330	Mtnce-Security-CHP Full Time	150,427	147,478	147,713	147,353	148,426	151,213	151,745	156,545	159,405	142,486	143,911	1.00%
		6332	Mtnce-Security-CHP Temp	8,723	13,474	16,245	11,980	7,755	13,410	14,848	13,315	11,590	32,480	32,805	1.00%
		6410	Overtime	45,550	32,314	24,031	27,284	46,730	29,704	25,583	24,118	30,927	15,417	17,730	15.00%
		6435	Moving Expense Allowance						18,500	5,000	0		0	0	
		6510	Mtnce Purch from GF	174	785	388		340		0			0	0	
		6511	Custodial Purch from GF	151	50	85							0	0	
		6560	Split Computing Services-Salary				337,942	341,086	358,530	421,952	421,952	474,038	0	0	
		6610	Student Sch Year	136,811	110,804	109,406	98,727	110,686	134,385	140,786	132,762	123,718	149,282	149,282	0.00%
		6611	Student Summer	53,111	52,470	40,483	53,524	68,039	73,786	75,213	72,141	64,548	53,702	53,702	0.00%
		6620	Fed Work Study Sch Year	12,551	26,645	16,434	20,902	16,077	13,125	8,975	14,172	15,942	18,175	18,175	0.00%
		6621	Fed Work Study Summer	3,664	2,723	1,762	2,241	1,187	819	1,746	2,307	1,721	2,000	2,000	0.00%
		6630	MI Work Study Sch Year	3,557	2,898								0	0	
		6631	MI Work Study Summer	316									0	0	
		6640	High School All year	3,582	673	1,249	1,152	899	3,428	3,279	4,726	7,983	7,500	7,500	0.00%
		6710	FICA	156,747	169,512	154,367	134,877	137,353	140,353	139,737	147,506	146,609	159,042	160,632	1.00%
		6721	MPSERS Retirement	270,357	298,578	269,149	268,999	285,638	72,068	82,438	134,674	173,944	151,628	166,791	10.00%
		6722	TIAA Retirement	164,442	201,737	151,192	133,424	141,605	149,610	148,102	160,162	159,371	171,356	188,492	10.00%
		6723	MPSERS Retirement Non-Member						16,172	28,474	46,977	75,181	34,260	37,686	10.00%
		6724	MPSERS Retirement Health Payment						95,552	93,787	26,887	0	0	0	
		6731	Health Insurance	395,905	530,596	521,400	546,433	295,329	326,344	144,720	395,701	423,184	478,348	495,090	3.50%
		6732	Health Insurance Riders	5,805	8,634	7,356	4,057	0	2,390	1,909	1,708	1,496	1,286	1,298	1.00%
		6735	Life Insurance	6,708	5,966	5,194	4,321	4,178	4,332	4,394	4,132	2,819	3,186	3,218	1.00%
		6736	Long-Term Disability	9,534	9,779	9,874	8,155	7,767	7,922	8,071	7,728	4,946	5,310	5,364	1.00%
		6740	Workers Compensation	19,967	40,039	51,175	8,240	48,353	13,096	50,700	32,604	47,607	58,461	59,046	1.00%
		6750	Unemployment Compensation	8,347	9,186	8,094	7,373	7,429	7,492	1,881	2,135	7,824	9,072	9,162	1.00%
		6760	Employee Tuition Waivers-Rebates	20,852	23,265	22,715	22,731	26,888	25,367	23,994	25,063	25,850	28,729	29,304	2.00%
		6771	Sick-Funding	20,162	46,325	13,504	11,005	10,076	12,308	11,603	0	0	10,796	10,904	1.00%
		6775	Vacation-Funding	(9,019)	(21,894)	(3,704)	24,537	13,923	7,889	822	202	(39,717)	9,990	10,090	1.00%
		6776	Vacation-Benefit Paid	29,012	51,920	10,947	10,980	14,072	3,624	23,836	1,158	41,215	0	0	
		6777	Vacation-FICA Benefit Paid	2,219	3,972	837	835	1,077	277	1,823	89	3,153	0	0	
		6810	Fringe Mtnce from GF	122	534	230		238		0			0	0	
		6811	Fringe Custodial from GF	105	35	59							0	0	
		6850	Fringe Benefits								(100,870)	(64,063)	0	0	
		6855	Employee Arts Ctr Tickets	1,675	720	895	989	2,900	1,204	465	486	3,083	3,000	4,500	50.00%
		6860	Split Computing Services-Fringe				157,650	158,961	158,936	207,042	207,042	208,744	0	0	
		7001	Supplies-Office	13,057	9,633	8,691	10,286	8,725	10,663	8,102	9,416	8,355	9,630	9,630	
		7002	Reference Books	1,328	2,014	449	796	1,158	736	936	2,139	734	600	600	
		7003	Central Stores	4,434	4,123	1,220	3,975	2,974	3,595	3,236	3,560	3,037	3,280	3,280	
		7004	Supplies-Lab						85	0	0		0	0	
		7005	Supplies-Aud Visual	68	238	991	1,896	1,085	2,236	3,715	2,178	79	650	650	
		7006	Supplies-Photo-Print	1,313	3,899	16,198	5,179	8,991	(5,320)	507	924	1,818	967	967	
		7008	Supplies-Medical						94		0	263	623	623	
		7010	Awards-Plaques	5,338	3,556	2,966	7,299	4,863	4,360	5,356	8,151	8,037	8,043	8,043	
		7012	Uniforms	294	1,991	42	907	1,110	4,034	1,406	3,887	696	1,979	1,979	
		7015	Supplies-LSSU Name-Logo Items	1,264	817	1,379	3,807	1,487	5,301	2,915	6,308	8,243	2,900	2,900	
		7020	Supplies-Other	23,718	18,401	8,319	7,567	9,898	13,334	18,936	24,434	8,867	8,581	8,581	
		7022	Supplies-Athletic Equipment						272	727	1,742	0	5,000	5,000	
		7030	Copies	43,288	47,307	48,547	41,154	36,395	43,395	42,183	46,942	40,752	47,299	47,299	
		7031	Printing	148,484	149,617	128,757	166,957	153,508	173,238	174,255	157,933	135,473	139,075	139,075	
		7032	Photographic Service	988	396	49	741	58	617	112	0	157	100	100	
		7040	Postage	216,090	134,255	160,565	152,366	155,816	167,003	176,327	156,499	123,938	148,185	148,185	
		7050	Telephone	18,012	15,513	14,409	10,705	10,540	11,163	10,805	9,389	9,701	8,862	8,862	
		7055	Fax	405	383	322	337	304	291	157	182	148	69	69	
		7060	Software	18,953	23,115	724	7,781	700	21,708	5,442	1,492	4,087	23,770	23,770	
		7061	Software Licenses and Maintenance	237,526	424,661	418,441	13,866	19,580	14,369	20,263	16,515	6,476	547,522	547,522	

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
		7065	Computer Hardware	57,607	24,633	8,311	6,492	6,033	6,691	5,633	8,205	6,266	1,979	1,979	
		7069	Split Computing Services-Suppli&Exp				457,930	449,608	411,465	383,963	383,963	382,211	0	0	
		7070	Equipment <2500	7,219	5,750	5,464	5,978	3,977	9,000	27,474	21,085	8,639	2,925	2,925	
		7081	Abate-Supplies			31							0	0	
		7090	Abate-Copies	(25,797)	(27,434)	(29,353)	(26,806)	(32,641)	(33,174)	(30,429)	(43,790)	(31,372)	(43,790)	(43,790)	
		7091	Abate-Printing	(223,325)	(152,100)	(130,862)	(164,670)	(133,910)	(150,692)	(161,478)	(125,747)	(115,355)	(125,747)	(125,747)	
		7092	Abate-Postage	(104,716)	(125,484)	(114,322)	(108,527)	(109,261)	(132,587)	(136,438)	(126,049)	(91,244)	(151,545)	(151,545)	
		7094	Abate-Fax	(660)	(443)	(354)	(338)	(336)	(332)	(281)	(194)	(156)	0	0	
		7101	Travel in State	24,914	25,292	27,485	30,336	30,698	24,207	27,161	24,339	23,902	24,704	24,704	
		7102	Travel out of State	17,340	11,825	15,934	12,966	11,571	5,434	9,350	6,872	12,330	18,850	18,850	
		7103	Travel Students		49		37		811	791	534		0	0	
		7110	Meetings-Luncheons	16,140	11,897	10,315	15,529	15,849	14,736	18,599	22,936	24,468	14,125	14,125	
		7111	Guest Lodging-Meals	2,750	921	2,592	2,934	1,186	1,627	5,191	2,734	3,912	5,667	5,667	
		7112	Conferences	5,208	10,127	7,523	7,431	5,045	3,058	6,602	8,074	9,214	13,300	13,300	
		7113	Community Relations	824		270		1,091	676	6,187	2,256	582	600	600	
		7120	Moving Expenses	51,497	9,597	16,590	7,401	14,893	12,340	23,165	16,683	26,496	10,000	10,000	
		7130	Recruitment--Employee	25,084	34,806	10,601	12,371	39,661	22,155	22,320	26,150	73,662	35,000	35,000	
		7131	Recruitment--Student			271	264		0	20,293	744	11,157	178	178	
		7134	Athletic Entry Fees	66	0	(476)	264	133	155	222	0	140	150	150	
		7210	Rental-Media		344	189						3,541	0	0	
		7211	Rental-Equipment	12,918	9,310	12,479	12,891	12,444	12,488	13,231	30,698	13,938	12,167	12,167	
		7220	Rental-Space				60		15,067	6	48		0	0	
		7225	Rental-Other	489	300		435	687	64	576	246	872	467	467	
		7251	Consultants	60,344	84,500	132,289	78,658	78,735	69,238	76,228	78,548	131,610	72,500	72,500	
		7253	Contracted Services	7,943	3,013	4,393	7,141	35,843	56,324	68,266	14,750	27,469	4,200	4,200	
		7255	Cable-Internet Service		218								0	0	
		7260	Equipment Serv Contracts	9,013	16,586	27,380	1,836	1,408	7,478	1,941	2,532	0	2,580	2,580	
		7261	Equipment Mtnc and Repair	2,906	3,778	3,842	3,102	8,864	9,682	6,227	2,595	5,036	10,210	10,210	
		7270	Auditing	40,350	65,863	36,450	10,262	35,860	36,930	51,983	35,269	44,196	36,000	36,000	
		7271	Legal	92,178	81,559	13,742	28,705	13,036	17,937	209,613	133,649	81,611	116,000	116,000	
		7272	Accreditation			1,667							0	0	
		7275	Insurance	197,492	187,615	193,551	189,560	185,621	187,566	201,605	195,082	202,309	210,300	210,300	
		7290	Linen Service		28								0	0	
		7291	Dry Cleaning	80	80		80	80	80	81	88	88	88	88	
		7301	Bank Service Charges	10,884	10,903	10,952	11,243	11,506	11,597	11,523	11,523	11,216	12,000	12,000	
		7302	Bank Chg-Credit Card	71,985	79,613	74,004	79,237	78,814	78,638	81,573	82,189	82,400	92,800	92,800	
		7303	Cash Over-Short	124	30	(11)	183	1	3	(40)	(730)	(96)	0	0	
		7304	Gain-Loss Can Exchange	(76)	248	(92)	85	607	(13)	(198)	168	172	0	0	
		7315	Trustee Fees	3,850	5,350	3,850	2,350	5,350	4,500	6,250	6,500	6,500	6,500	6,500	
		7320	License-Permits-Fees	2,880	1,499	1,343	3,024	1,297	2,470	3,276	3,587	24,301	23,228	23,228	
		7325	Bad Debts	24,132	74,865	27,559	54,229	50,511	156,033	152,514	23,020	94,022	70,000	70,000	
		7340	Memberships	41,573	55,232	48,619	45,512	47,845	47,436	54,006	52,852	47,786	47,138	47,138	
		7341	Subscriptions-Magazines	2,124	2,833	1,011	6,658	1,432	2,656	3,511	5,375	11,858	3,320	3,320	
		7345	Advertising	55,862	79,886	77,665	117,164	133,831	138,327	200,011	253,080	183,775	244,800	244,800	
		7350	Medical Services		0	162						0	0	0	
		7355	Concerts and Lectures	39,847	40,096	15,654	17,383	20,500	9,500	16,814	12,925	16,324	14,099	14,099	
		7356	Theatrical Production Exp	1,812	906	1,043	2,415	3,256	1,408	128	684	1,231	15,500	15,500	
		7357	Entertainment		41		60				100		0	0	
		7365	Professional Development	1,480	1,500	1,500	120	825	400	1,386	2,736	350	4,000	4,000	
		7390	Clearing Account	0	0	0	(114)	0	0	0	0	0	0	0	
		7395	Miscellaneous	73,008	75,288	64,438	74,551	65,608	93,009	89,292	90,802	73,825	461,400	461,400	
		7501	Supplies-Maintenance	4	588		1,725	(1,367)				0	0	0	
		7520	Haz Material Dispose	0			246						0	0	
		7525	Mtnc-Land Improv	0			(118)						0	0	
		7535	Mtnc-Buildings		3,307								0	0	
		7540	Gas and Oil					3,312	5,824	5,315	3,759	2,657	3,500	3,500	
		7920	Art Collection									11,159	0	0	
		7960	Capitalized Equipment Purch	17,041		775	33,121	9,690	383	0	0	18,521	5,000	5,000	
		7961	Capitalized Equipment-InfoTech	74,771		35,165			5,694	6,166	0	7,368	0	0	
		7962	Vehicles	34,000									0	0	
	Institutional Support Total			4,956,290	5,692,309	4,901,036	5,148,082	5,053,992	5,141,538	5,452,400	5,414,988	5,718,189	5,665,428	5,694,401	
60 Total				4,956,290	5,692,309	4,901,036	5,148,082	5,053,992	5,141,538	5,452,400	5,414,988	5,718,189	5,665,428	5,694,401	0.51%
70	Operation and Mainten	6010	Admin Full Time 12-Mo	236,700	290,795	268,786	196,564	201,520	208,754	209,864	220,361	201,213	179,543	181,339	1.00%

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
70	Operation and Mainten	6170	Comp Special Work					154	5,000	5,019	77		0	0	
		6240	NonBarg Temporary				92	1,833	3,120	1,983	4,657	752	0	0	
		6260	NonBarg Temporary-Exempt								1,346		0	0	
		6310	Clerical Full Time	32,736	33,659	33,838	31,239	25,907	26,104	27,543	34,606	35,509	34,766	35,114	1.00%
		6311	Clerical Part Time									9,063	17,432	17,606	1.00%
		6330	Mtnce-Security-CHP Full Time	1,373,728	1,384,809	1,417,527	1,415,504	1,402,662	1,441,449	1,456,756	1,478,166	1,409,440	1,471,064	1,485,775	1.00%
		6331	Mtnce-Security-CHP Part Time				7,038	7,736	5,920	7,920	9,724	10,550	16,730	16,897	1.00%
		6332	Mtnce-Security-CHP Temp	11,792	13,440	3,904	13,632	14,616	13,190	9,472	27,564	42,038	48,000	48,480	1.00%
		6410	Overtime	110,957	108,169	100,766	134,067	164,198	179,579	189,849	211,360	177,123	118,187	119,369	1.00%
		6510	Mtnce Purch from GF	139	8								0	0	
		6520	Food Service Wage Chg Bk		1,111		791						0	0	
		6521	Food Serv Stu Reg Chg Bk			1,737				1,137	62	0	0	0	
		6590	Salary Abatement	(471,916)	(500,432)	(519,461)	(490,117)	(470,986)	(434,135)	(426,067)	(380,363)	(323,379)	(393,000)	(396,930)	1.00%
		6610	Student Sch Year	52,525	37,760	48,928	46,635	61,943	66,735	26,439	32,439	45,944	29,200	30,660	5.00%
		6611	Student Summer	107,340	107,364	115,272	106,682	113,194	111,216	118,233	90,156	56,779	15,900	16,695	5.00%
		6620	Fed Work Study Sch Year	5,431	9,064	5,627	6,509	6,929	5,792	7,594	4,608	1,352	0	0	
		6621	Fed Work Study Summer	4,561	2,959			250			375		0	0	
		6630	MI Work Study Sch Year	681	278								0	0	
		6640	High School All year			278			677	1,018		0	0	0	
		6710	FICA	138,813	143,369	142,369	139,817	142,311	147,538	148,714	153,341	144,073	144,258	145,700	1.00%
		6721	MPSERS Retirement	318,728	342,720	376,751	371,218	422,381	111,730	117,643	180,397	205,784	185,250	203,775	10.00%
		6722	TIAA Retirement	83,591	91,623	91,154	105,121	109,187	111,870	117,669	126,841	109,534	132,300	145,530	10.00%
		6723	MPSERS Retirement Non-Member						146,737	186,958	333,543	409,099	406,125	446,737	10.00%
		6724	MPSERS Retirement Health Payment						97,745	93,794	25,186		0	0	
		6731	Health Insurance	438,166	555,934	604,771	594,577	497,831	472,974	474,418	614,326	643,400	670,454	693,920	3.50%
		6732	Health Insurance Riders	20,842	17,767	13,144	5,495	0	2,741	1,756	529	0	0	0	
		6735	Life Insurance	7,185	6,452	6,077	5,871	5,967	6,508	6,631	6,115	3,853	4,650	4,697	1.00%
		6736	Long-Term Disability	11,985	11,887	12,733	12,283	11,866	11,899	12,165	11,414	6,791	7,750	7,828	1.00%
		6740	Workers Compensation	16,394	31,111	46,414	7,975	48,166	13,223	51,460	32,453	46,124	53,294	53,827	1.00%
		6750	Unemployment Compensation	6,988	7,226	7,323	7,064	7,410	7,568	1,871	2,107	7,581	8,270	8,352	1.00%
		6760	Employee Tuition Waivers-Rebates	17,608	18,343	20,533	21,770	26,754	25,858	24,379	24,988	24,882	26,152	26,675	2.00%
		6771	Sick-Funding	31,096	15,478	16,245	11,800	12,379	14,650	14,694	0	0	7,344	7,417	1.00%
		6775	Vacation-Funding	1,240	9,322	(4,611)	(7,665)	7,481	(3,369)	9,124	(17,936)	(4,893)	5,496	5,551	1.00%
		6776	Vacation-Benefit Paid	5,944	881	2,889	26,432	446	12,032	8,542	19,473	849	0	0	
		6777	Vacation-FICA Benefit Paid	280	67	221	2,022	34	609	653	1,490	65	0	0	
		6810	Fringe Mtnce from GF	98	6								0	0	
		6820	Fringe Food Serv Wage Chg Bk		233		166			654	5		0	0	
		6850	Fringe Benefits								(100,380)	(97,125)	0	0	
		6890	Fringe Abatement	(267,941)	(290,734)	(295,117)	(297,888)	(284,891)	(256,604)	(263,037)	(240,442)	(220,964)	(245,182)	(247,633)	1.00%
		7001	Supplies-Office	2,079	1,761	1,414	1,593	2,563	3,192	2,743	2,671	1,445	1,600	1,600	
		7002	Reference Books	69	204				50	301	323	0	200	200	
		7003	Central Stores	332	504	366	342		726	335	100	0	100	100	
		7005	Supplies-Aud Visual		25		25		90	5	9	2	100	100	
		7010	Awards-Plaques			230							0	0	
		7012	Uniforms	5,179	3,714	4,875	4,397	4,742	5,016	5,351	6,131	6,463	6,000	6,000	
		7015	Supplies-LSSU Name-Logo Items						813	69	0	0	0	0	
		7020	Supplies-Other	2,909	310		277		60		701	69	0	0	
		7030	Copies	953	1,133	955	1,136	1,362	1,220	1,667	1,472	1,767	1,600	1,600	
		7031	Printing	605	236	211	201	194	145	91	833	789	900	900	
		7040	Postage	104	57	92	430	245	59	46	42	30	50	50	
		7050	Telephone	3,617	3,487	4,680	3,370	3,427	3,480	2,688	2,494	2,578	2,028	2,028	
		7055	Fax	1	1	2	2	1	2	1	0		0	0	
		7060	Software	150	78	26							0	0	
		7061	Software Licenses and Maintenance	5,531	5,531	5,581	5,531	10,526	12,275	9,955	6,655	10,061	10,000	10,000	
		7065	Computer Hardware	238	2,422	4,089	2,376	791	433	73	3,917	101	250	250	
		7070	Equipment <2500	7,708	12,263	12,190	4,571	6,284	5,097	600	3,119	4,822	1,800	1,800	
		7101	Travel in State	3,161	2,839	1,671	515	1,605	4,313	1,310	1,819	2,021	1,500	1,500	
		7102	Travel out of State	1,259		753	0		426	0	0	7	0	0	
		7110	Meetings-Luncheons	123				100	106	0	0	1,244	500	500	
		7112	Conferences	2,915	365	815		450	330	190	0	0	0	0	
		7120	Moving Expenses		1,000								0	0	
		7130	Recruitment--Employee				103		45		0		0	0	
		7211	Rental-Equipment	7,568	1,100	240	2,245	400	2,389	2,531	6,250	10,433	9,000	9,000	

Expenditures		Fiscal Year											Budget		Percent
Program	Program Title	Account	Account Title	2008	2009	2010	2011	2012	2013	2014	2015	2016	2,017	2018	Change
		7251	Consultants	10,647	304		3,100	16,467	(257)	3,705	10,527	2,085	6,000	6,000	
		7253	Contracted Services	19,069	18,560	29,180	10,750	5,344	13,637	13,546	240	4,617	16,500	16,500	
		7260	Equipment Serv Contracts	13,820	15,722	10,538	20,235	12,376	8,701	10,125	13,310	13,415	9,800	9,800	
		7261	Equipment Mtnce and Repair	53,627	35,622	33,504	42,137	34,339	99,883	83,084	52,258	48,881	50,000	50,000	
		7275	Insurance	60,481	51,059	63,857	62,687	55,590	55,969	22,238	22,175	27,554	22,500	22,500	
		7290	Linen Service	1,513	1,025	1,179	1,207	995	1,251	1,190	910	1,515	1,500	1,500	
		7291	Dry Cleaning			174							0	0	
		7303	Cash Over-Short	0									0	0	
		7320	License-Permits-Fees	2,260	3,175	2,495	3,751	2,940	3,544	2,740	3,946	2,731	2,975	2,975	
		7340	Memberships	884	692		1,705	754	231	238	0	0	300	300	
		7345	Advertising				323	51	105	36	0	41	0	0	
		7350	Medical Services	282	310	90	270	235	450	165	456	627	600	600	
		7365	Professional Development	1,275	1,275	2,584	1,275	1,275	2,163	1,545	3,952	2,689	3,700	3,700	
		7395	Miscellaneous		500		0		0		0	0	0	0	
		7501	Supplies-Maintenance	386,360	351,351	389,451	462,852	468,539	266,469	513,430	483,982	396,413	342,100	342,100	
		7502	Maintenance Safety Equipment		6,505	2,089	1,031	13,010	1,438	8,997	6,453	1,123	2,500	2,500	
		7510	Phys Plant Service Contracts	73,425	112,395	250,100	204,786	219,008	231,014	261,543	253,725	229,595	219,080	219,080	
		7511	Pest Control	30	131	205	466			91	430	425	500	500	
		7520	Haz Material Dispose	9,927	7,934	6,183	5,768	11,023	3,826	6,006	6,195	8,429	5,000	5,000	
		7525	Mtnce-Land Improv	11,281	23,190	22,634	16,606	46,511	35,926	20,210	32,052	6,661	18,000	18,000	
		7530	Mtnce-Infrastructure	7,851	19,699	4,560	11,593	7,187	10,382	10,188	2,815	18,697	19,000	19,000	
		7535	Mtnce-Buildings	120,311	38,661	52,997	47,992	75,572	61,084	62,103	67,757	75,041	49,000	49,000	
		7540	Gas and Oil	22,362	15,732	14,604	18,922	19,403	25,648	29,082	21,061	14,902	15,000	15,750	5.00%
		7549	Abate-Mtnce Supplies	(231,419)	(195,587)	(228,500)	(180,023)	(202,348)	(174,990)	(230,757)	(221,955)	(157,435)	(176,500)	(176,500)	
		7550	Fuel	1,275,042	1,265,648	876,811	952,938	712,682	680,691	1,003,372	736,050	557,123	750,000	757,500	1.00%
		7554	Abate-Fuel	(39,770)	(38,007)	(28,060)	(33,989)	(21,209)	(19,711)	(32,498)	(21,026)	(15,701)	(22,500)	(22,500)	
		7559	Abate-Steam Heat	(347,996)	(332,924)	(240,261)	(267,031)	(205,622)	(204,752)	(271,333)	(199,758)	(141,743)	(205,000)	(205,000)	
		7560	Electric	1,050,601	1,060,972	929,791	1,179,570	1,333,957	1,230,871	1,197,487	1,224,455	1,223,051	1,275,000	1,313,250	3.00%
		7569	Abate-Electric	(333,506)	(336,888)	(295,097)	(374,523)	(422,289)	(389,228)	(378,944)	(387,204)	(384,331)	(408,000)	(408,000)	
		7570	Water and Sewer	540,579	561,197	425,078	455,308	551,872	568,879	547,676	532,071	542,123	525,000	535,500	2.00%
		7579	Abate-Water and Sewer	(363,581)	(382,590)	(263,700)	(291,291)	(347,125)	(365,934)	(347,723)	(341,369)	(340,679)	(330,750)	(330,750)	
		7580	Trash Removal	62,951	72,186	69,812	68,730	78,078	44,462	47,979	47,438	54,318	48,000	49,920	4.00%
		7589	Abate-Trash Removal	(40,350)	(40,350)	(40,350)	(40,350)	(40,350)	(22,943)	(25,435)	(25,871)	(29,216)	(29,760)	(29,760)	
		7960	Capitalized Equipment Purch	16,000	9,264	21,490	4,346					18,776	0	0	
		7962	Vehicles		3,000	0	0				0		5,000	5,000	
	Operation and Maintenance of Plant Total			4,724,145	4,837,455	4,669,725	4,892,947	4,998,232	4,766,188	5,232,892	5,270,199	5,168,994	5,194,157	5,366,474	
70 Total				4,724,145	4,837,455	4,669,725	4,892,947	4,998,232	4,766,188	5,232,892	5,270,199	5,168,994	5,194,157	5,366,474	3.32%
Grand Total				30,414,726	32,334,314	31,803,922	32,486,428	32,756,475	33,080,629	34,224,752	34,643,565	34,571,041	34,358,197	34,468,238	0.32%

DRAFT

Appendix L

Long Term Projects

Pool (\$75k per year to maintain)
SAC Floor (1-2 years) \$1M
Norris Ice Arena Refrigeration System (3-5 years) - \$1M
Library Roof (2-4 years) - \$300k
Norris Center Roof (3-5 years) - \$500k

ADA Compliance:

Here is LSSU's current schedule based on expected ADA compliance activity for the final 8 years. Adjustment to what is actually completed in any given year could occur, but year to year progress must be made.

2014- Moloney 113- **COMPLETE**
2015- Village B2-**COMPLETE**
2016- Brady Hall- *Interior complete, exterior moved to summer 2017*
2017- Osborn Hall
2018- Laker/Chippewa
2019- Huron/Ontario
2020- Townhouses
2021- Erie Hall

Deferred Maintenance:

Physical Plant staff have identified approximately \$15,000,000.00 in deferred maintenance projects. Included in the estimate are energy savings upgrades that are estimated to create 20% savings in energy costs. Past recommendations have suggested that Physical Plant spend about \$500,000.00 per year for general maintenance improvements over the next three years; this will cover the majority of the institution's reactionary approach to deferred maintenance (Patch and Repair). This will not allow LSSU to make any significant progress on maintenance improvements outlined in its Five Year Capital Outlay Master Plan. Beginning in January, 2013 and running through October, 2015 LSSU spent approximately \$1,690,000 towards the Five Year Capital Master Plan. The amount expended is about \$270,000 over what was recommended/approved annually by past administration. Due to budget restrictions Physical Plant priorities have been Health and Safety, then energy reduction measures, and finally first impression (curb appeal) and new construction.

Budgeting for utilities over the next three years is fairly predictable; however repairs and maintenance for an aging infrastructure is very difficult to predict. Recently, Physical Plant staff have responded to water electrical, and sewer line failures resulting in multiple shutdowns of the campus. LSSU should be investing in an upgraded electrical and water infrastructure to create the ability to isolate buildings and to minimize the risk of a total campus shutdown. It is imperative that LSSU find a balance between maintaining the current buildings and infrastructure and creating new buildings and areas.

LSSU has not been able to follow its vehicle replacement schedule. A combination of leasing, purchasing and contracting of some services should be considered. A minimum of \$100,000 per year for the next three years is necessary to address this issue.

Other Topics:

Deferred Compensation
MPERS - changing how we cover this cost internally - redistribute cost to all employees
MSU and MUSIC - large claim against MSU and the impact on LSSU, do we budget for this now?

End Notes

-
- i Ratio Analysis In Higher Education - Measuring Past Performance to Chart Future Direction, 4th Edition, ©1999 by KPMG LLP and Prager, McCarthy & Sealy, LLC, pg 23.
 - ii Currently, the State uses the BLM Scorecard. <http://mipublicuniversities.businessleadersformichigan.com/>.
 - iii Jurvelin Data: Presented at All Campus Meeting.
 - iv No one really knows what CSSM stands for (perhaps: Central Stores, Supplies, and Maintenance), but it amounts to operating supplies. These are the account codes 7xxx.
 - v MBTU stands for one million BTUs, which can also be expressed as one decatherm (10 therms). MBTU is occasionally used as a standard unit of measurement for natural gas and provides a convenient basis for comparing the energy content of various grades of natural gas and other fuels. One cubic foot of natural gas produces approximately 1,000 BTUs, so 1,000 cubic feet of gas is comparable to 1 MBTU. MBTU is occasionally expressed as MMBTU, which is intended to represent a thousand thousand BTUs.
 - vi CUPA: **Have Philip provide note and reference.**
 - vii Ratio Analysis In Higher Education - Measuring Past Performance To Chart Future Direction, 4th Edition, ©1999 by KPMG LLP and Prager, McCarthy & Sealy, LLC, pg 25.