



OAKLAND COMMUNITY COLLEGE™

Budget & Financial Forecast

FISCAL YEARS 2020-2024

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Oakland Community College is a positive force for Oakland County and the surrounding region. Our mission is simple - OCC is committed to empowering our students to succeed and advancing our community - and it is reflected in everything we do.

For over 50 years, OCC has played a crucial role in our region's success by helping students find their passion and pathway to success. The College has welcomed over one million students to the institution and granted nearly 100,000 degrees and certificates since we opened our doors in 1965. OCC continues to provide students with affordable education and training leading to a pathway to employment that is helping the community close the skills gap.

OCC offers nearly 100 certificate and degree programs in some of the highest demand fields. The College has the largest nursing associate degree program in the nation, the only community college Dispatch Academy in the state, and a nationally ranked Early College program. The College also has outstanding training facilities. At the Auburn Hills Campus, the College's CREST (Combined Regional Emergency Services Training) facility provides training to emergency response teams from across the country. OCC is also home to an award winning culinary program and a state-of-the-art welding program where students get hands-on real world training.

OCC is committed to providing a first-class learning environment for its students. With a ground breaking ceremony anticipated in summer 2019, the College will begin renovating Building C at the Auburn Hills Campus. The renovation will include new high-tech science and CIS classrooms and laboratories that will be designed to provide active learning environments with flexible work space to promote innovative teaching. All of this will support the College's goal to be a leader in the important fields of science, technology, engineering and mathematics (STEM) where there is a high demand for workers.

To support the College's vital mission and its initiatives, a sound financial plan is required. To ensure the development of a comprehensive budget, the College links the allocation of its resources to its strategic plan in an important annual process that supports shared governance with input from over 180 employees. The budget process is designed to encourage a strategic focus on the use of resources and to provide opportunities for continuous improvement in the way we maintain and manage our assets. Through our employees' collaborative efforts, OCC is projecting a modest budget surplus in fiscal year 2020.

We believe OCC is destined to be the first choice for a whole new generation of students who follow traditional and not-so-traditional paths. Our vision is to be:

- the college of choice
- the employer of choice
- the partner of choice

We care deeply about our students and we empower them to find their passion and their path to realize their potential.

We are OCC . . . **Excellence Empowered!**

Peter Provenzano, Jr., CPA, CGMA
Chancellor





OMNI-HEAT

 Columbia

College Overview

College History

The Oakland Community College District (“the College” or “OCC”) was established by the electorate of Oakland County, Michigan, on June 8, 1964. The area served encompasses approximately 900 square miles and has an assessed valuation of over \$25 billion. The county contains 28 public school districts with 45 public high schools. In addition, there are 37 private high schools in the district. With 1.25 million residents, Oakland County is home to a mix of urban and rural communities, encompassing 62 cities, villages and townships, and 38,000 businesses.

The College opened in September 1965, with a record community college initial enrollment of 3,860 students on two campuses - Highland Lakes, a renovated hospital in what was Union Lake, and Auburn Hills, a former Army Nike missile site in what was Auburn Heights.

The Orchard Ridge Campus, with its award-winning architectural design, opened in Farmington Hills in September 1967. First housed in leased facilities in Oak Park, the Southeast Campus System expanded through the purchase and remodeling of buildings at a second site in Royal Oak. In 1980, the Oak Park facilities were replaced by a new campus in Southfield. The Royal Oak buildings were replaced by a new campus complex which opened in the fall of 1982.

Since 1964, over 1 million students have attended OCC, with nearly 100,000 degrees and certificates granted. As a comprehensive two-year institution of higher education, Oakland Community College offers more than 1,000 courses and 96 programs in art, business, technology, health, science, humanities, public service and advanced manufacturing. The College provides high quality curriculum that meets the needs of the community while preparing individuals for high wage, high demand occupations, as well as providing pathways for students who wish to pursue advanced study at a four-year university.

As the top transfer institution in Michigan, students intending to transfer to four-year schools make up nearly half of OCC’s student body. To assist students who wish to pursue advanced study at a four-year institution, the College maintains over 100 articulation agreements with 23 post-secondary institutions. These agreements provide for the smooth transfer of course credits earned at OCC and avoids unnecessary repeating of courses at the four-year institution. As a result, students are able to complete their advanced study in a more cost effective and timely manner.

OCC’s dedicated faculty and staff are committed to providing academic and developmental experiences that will allow each student to reach their full potential and enhance the diverse communities they serve. OCC is a caring College that values innovation, strong student outcomes, high-quality service, and professionalism, at an affordable price.

In 1966, the Community Colleges Act helped institutions such as OCC define their mission. In the fall of 2018, the College redefined its mission statement to be succinct and focused.

Mission

“OCC is committed to empowering our students to succeed and advancing our community.”

Local Economy

While OCC primarily serves Oakland County, the College recognizes that their graduates may live and be employed in nearby counties. Therefore, the College examines data from a seven-county region: Oakland, Genesee, Lapeer, Livingston, Macomb, Washtenaw, and Wayne Counties. Like the rest of the state, Oakland and nearby counties experienced a recession beginning in 2008. In the years following the recession, Oakland County has returned to unemployment rates seen pre-recession. Oakland County's future is bright. Employment as well as housing starts, are up. In addition, Oakland County's per capita personal income (PCI) is the highest in any county in Michigan and higher than the state and national average.

More specifically related to available occupations and college programming within this region, the College believes there to be approximately 281,621 projected annual job openings across all occupations and education levels. When OCC considers the occupations most likely to need a two-year post-secondary education, there are approximately 94,688 job openings projected each year for the next five years in our region.

OCC currently offers programs with a total of approximately 15,994 job openings in the region. For these occupations, the average of the median wages is \$24.95 hour.

The ten occupations supported by OCC programs (based on the number of projected job openings) include:

- | | |
|---|--|
| 1. Registered Nurses | 6. Medical Secretaries |
| 2. General and Operations Managers | 7. Medical Assistants |
| 3. Cooks, Restaurant | 8. Software Developers, Applications |
| 4. Bookkeeping, Accounting, and Auditing Clerks | 9. Management Analysts |
| 5. Accountants and Auditors | 10. Automotive Service Technicians and Mechanics |

Sources: Economic Modeling Specialist International; Oakland County Economic Outlook 2018-2020; OCC Institutional Effectiveness 2019

Prospects for the Future

Since there are approximately 16,000 job openings in the County that relate to programs OCC offers, the College is well positioned to provide training to meet these employment needs. OCC believes the top priorities for meeting community needs include the following 10 programs:

- | | |
|-----------------------------------|-----------------------------------|
| 1. General Accounting Certificate | 6. Welding Technology Certificate |
| 2. International Commerce | 7. Culinary Arts |
| 3. Library Technician | 8. Dental Hygiene |
| 4. Library Technician Certificate | 9. Fire Academy |
| 5. Technological Sciences | 10. Fire Fighter Technology |

Source: OCC Institutional Effectiveness 2019

Board of Trustees

Oakland Community College is governed by a seven-person board of trustees. The members of the board are elected on a non-partisan, at-large basis by voters living within the college district, an area generally coinciding with the boundaries of Oakland County. Members are elected for a six-year term.

Members of the Board



John P. McCulloch
Board Chairperson



Pamala M. Davis
Vice Chairperson



Pamela S. Jackson
Secretary



Susan E. Anderson
Treasurer



Kathleen A. Bertolini
Trustee

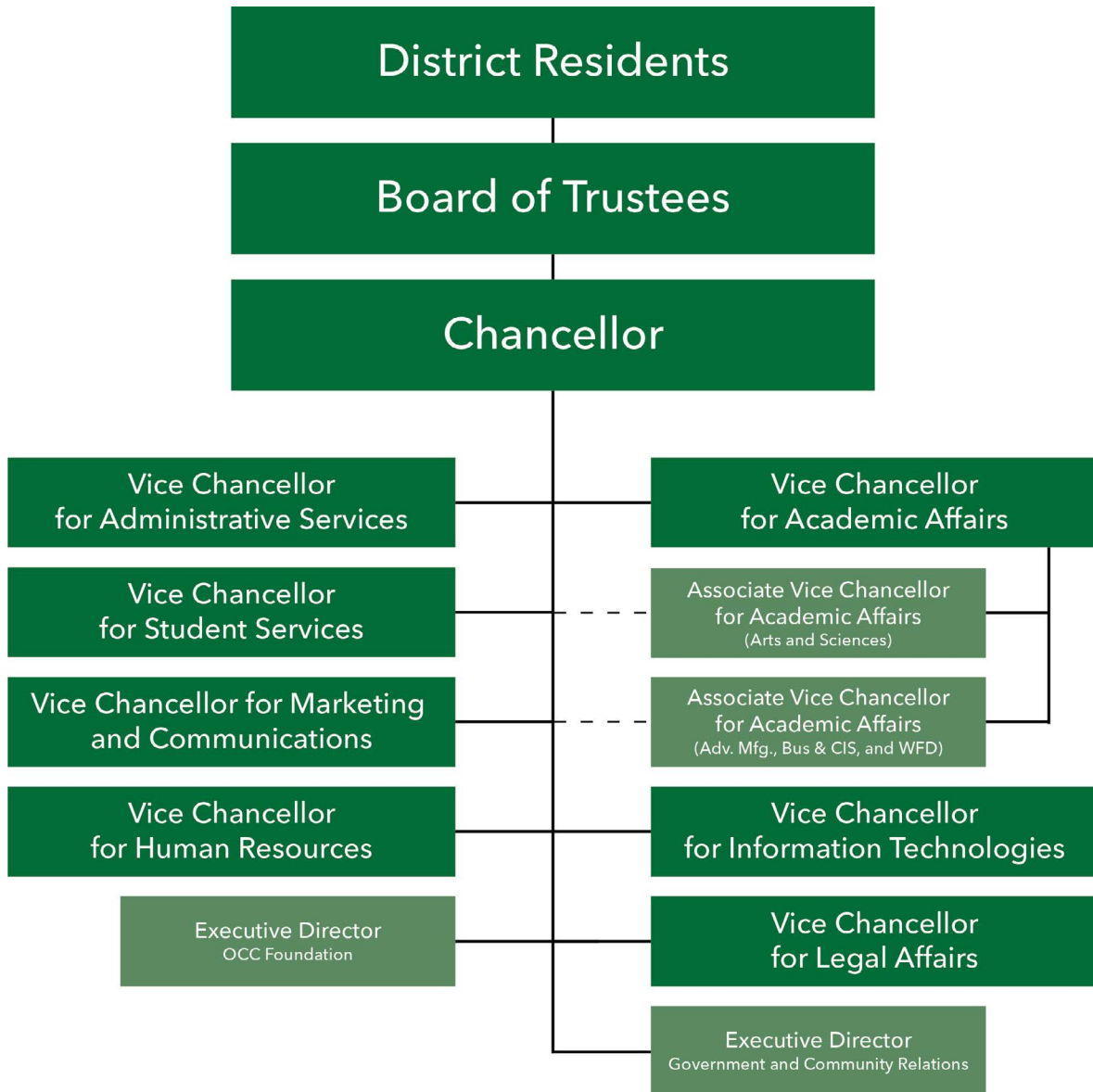


Shirley J. Bryant
Trustee



Christine M. O'Sullivan
Trustee

Organizational Chart







Strategic Planning

Oakland Community College is committed to empowering our students to succeed and advancing our community! Our Strategic Plan, which was refreshed in the fall of 2018, provides a roadmap to success by putting student success first. Building on the accomplishments of our previous Strategic Plan, the new refreshed plan through our Values, Visions, and Vital Few Objectives (VFOs) is setting a clear course to reach our goals.

The Strategic Planning Council Leads Planning

Under the leadership of Chancellor Peter Provenzano, the Strategic Planning Council is comprised of Executive Council members.

- Karen Bathani - Vice Chancellor for Human Resources
- Ted Coutilish - Vice Chancellor for Marketing and Communications
- Eileen Husband - Vice Chancellor for Legal Affairs
- Dr. Cathey Maze - Vice Chancellor for Academic Affairs
- Robert Montgomery - Vice Chancellor for Information Technologies
- Bobbie Remias - Vice Chancellor for Administrative Services
- Lori Przymusinski - Vice Chancellor for Student Services
- Doug Smith - Executive Director for Government and Community Relations
- Dan Jenuwine - Executive Director for the OCC Foundation

In addition, other members of the Strategic Planning Council are:

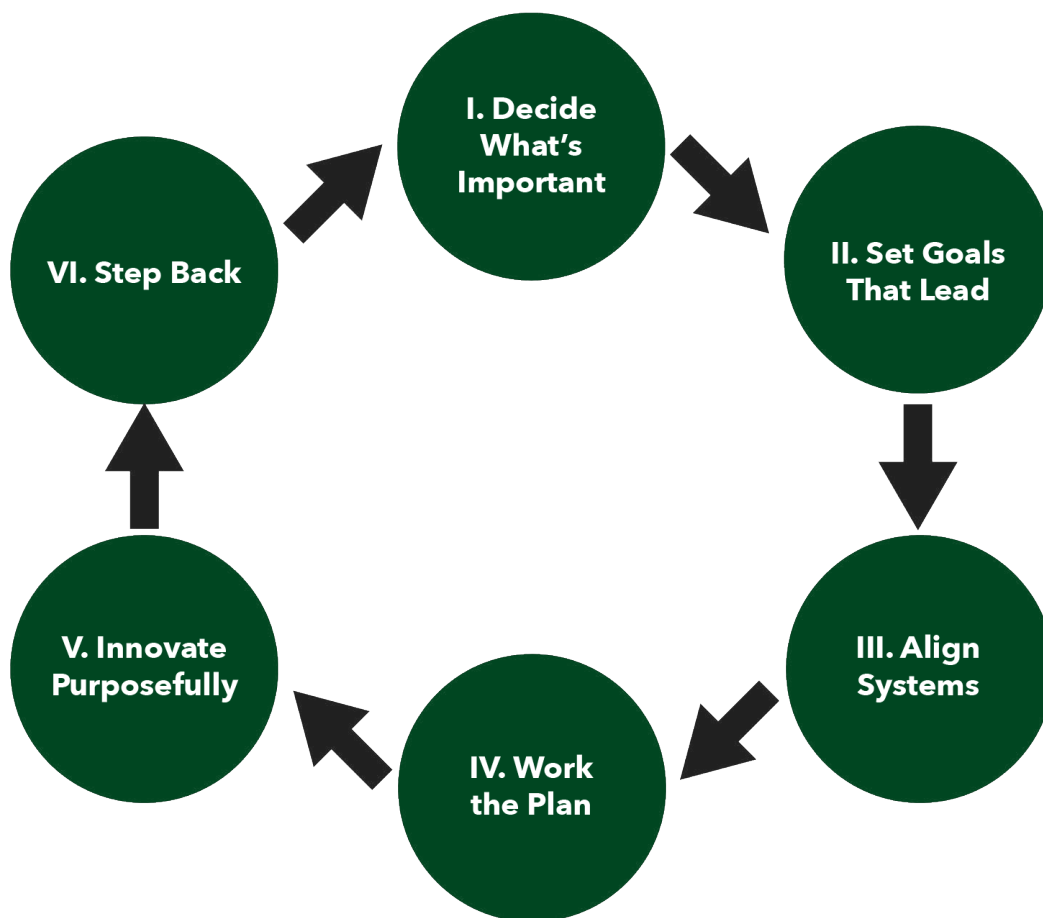
- Joseph Petrosky - Associate Vice Chancellor for Academic Affairs
- Dr. Timothy Sherwood - Associate Vice Chancellor for Academic Affairs
- Valerie Emanoil - Academic Senate Vice Chair and Behavioral Sciences faculty member
- Mary Thomas - Academic Senate Strategic Planning Committee Chair and Counselor faculty member
- John Mitchell - Academic Senate Chair and English faculty member

The Strategic Planning Council is responsible for creation and execution of the Strategic Plan, as well as providing oversight and direction for planning at OCC.

Six-Step Process Provides Framework for Strategic Plan

In 2012, OCC embarked on a strategic planning process that provided a foundation for several ongoing academic initiatives. As a result, the Educational Master Plan (EMP) was developed based on feedback from internal and external stakeholders leading to the development of 12 EMP objectives.

A year before the completion of the EMP, the College began working on its next strategic plan with the help of Six Disciplines Consulting, Inc. The Six Disciplines (SixD) six-step process provides a systematic approach to planning that has improved the College’s planning process and overall approach to strategy development, deployment and execution.



Starting with Step Six, the leadership team ‘steps back’ to review the previous year’s performance and conduct discovery exercises. In Step One of the process, the College decides what is important. This step is critical so that allocation of resources – time, money and effort – can all be aimed toward this end.

At the onset of the systematic process, the College considered all stakeholder input, as well as other factors affecting OCC and higher education. Feedback was collected from all College stakeholders, including staff, students, and the external community, regarding their perceptions about strengths, weaknesses, opportunities and threats (SWOTs) facing the College. This data was collected using technology provided by SixD, allowing participants to provide ideas for each category and then score them by assigning a total of 100 points in varying increments to each theme. These scores were collected and aggregated, resulting in a listing of the top 20 most important themes by category. This information is housed in a data warehouse that is constantly updated with new information so that the SWOT is always current and reflects the full verbiage from all stakeholders involved in the sessions.

Once feedback is collected, Step Two commences. This entails finalizing the measures, or VFOs, for achieving our goals and producing goals that are clear and measurable. In addition, initiatives are developed to help achieve these goals.

Step Three allows us to align our systems with our mission, values, vision and VFOs, assuring systems are in place and we are well-equipped to do the work needed to accomplish our goals. The initiative teams are part of the collaborative efforts which take place to make this happen.

Working the plan is exemplified in Step Four through the ongoing commitment of initiative teams and reporting progress regularly. The College holds quarterly update meetings with the Strategic Planning Steering Committee and provides updates to the Board of Trustees and the College community.

In Step Five, the College innovates purposefully through various activities in support of integrated and collaborative planning. These activities include allowing for celebration of successes and encouraging participation broadly. After each annual cycle, the College once again moves back to Step Six and begins the annual process again.

As part of the original plan using the Six-Discipline process, the College developed a set of definitions to provide consistency and to help OCC remain steadfast in how we conduct planning.

Mission. Why an organization exists and what its purpose is. Enduring, pursuit of which is limitless.

Values. Based on what is already important. Built upon passion and conviction.

Vision. Defines what the organization will look like in ten years.

Vital Few Objectives (VFOs). The most important objectives that will best move the College toward its vision.

Initiative. A well-defined program or project; aligned with VFOs.

A Refreshed Strategic Plan

The initial strategic plan, developed under the Six Disciplines process, was officially adopted by the Board of Trustees in May of 2017. As part of the “steps back” process, the College began its annual refresh of the previous year’s performance in the summer of 2018. The Strategic Planning Council set a goal to enhance the clarity and focus of the overall strategic plan. The College conducted an employee feedback survey that was used by the Strategic Planning Council to begin their review process. By the fall of 2018, the College had created and adopted a refreshed plan with significantly better language without changing the essence of the plan.

The College refreshed its Mission statement, as well as Values, Vision Statements, and One-Year Change Initiatives.

Mission

The mission statement was renewed to reflect a focus on action (empowering and advancing) and improve overall readability.

OCC is committed to empowering students to succeed and advancing our community.

Values

As part of the drive to provide greater lucidity and focus, the College’s six existing values were combined into three to highlight the most important concepts of the overall statements.

Accessible

We welcome people of diverse backgrounds and abilities.

Excellent

We offer high-quality and relevant educational experiences, and celebrate the accomplishments of our people.

Ethical

We act with respect, integrity, and kindness, and carefully steward the resources entrusted to us.

Vision

In an effort to align with best practices at community colleges and create inspiration, the College’s eleven vision statements were updated and condensed to three concise statements that are recognized throughout the College.

Excellence in all we do...

- Become the college of choice.
- Become the partner of choice.
- Become the employer of choice.

Vital Few Objectives

As another step towards focus and clarity, the Strategic Planning Council refined the existing nine VFOs down to five to ensure a clear priority for OCC while also reviewing the objectives for alignment with the Board Ends and monitoring metrics. The VFOs are aligned in a direct relationship to the refreshed vision statements.

Become the college of choice.

- Enhance and innovate educational offerings.
- Improve the student experience.
- Guide students to their desired outcomes.

Become the partner of choice.

- Grow partnerships.

Become the employer of choice.

- Increase employee engagement.

One-Year Change Initiatives

The Strategic Planning Council identified the five most important initiatives out of the twelve existing initiatives to be renewed into fiscal year 2019. Existing initiatives that were not renewed as part of the refreshing process were either completed or integrated into departmental initiative activities.

- Enhance utilization of people, processes and technology
- Implement processes to increase persistence and completion
- Foster key partnerships
- Improve trust, respect, accountability, and collaboration
- Promote diversity throughout the college

Integrated Planning Links to Budgeting

The College has integrated a step in its budget development process that clearly link's the Strategic Plan to the allocation of its resources. If an area requests a budget increase greater than their spending in the previous year, they are required to substantiate the request by justifying how it would support one of the College's five Vital Few Objectives. This step supports a strategically driven approach to funding and provides an opportunity for the College to assess the effectiveness of its spending plan once the academic year is over. Any gaps in anticipated results can be measured, evaluated and addressed in future planning.

In addition, the College created a Strategic Planning Fund that is used for the strategic plan initiative teams as needed to help fund their work. The process is:

- Initiative team identifies a need for resources to conduct their work
- Initiative team completes required documents to request funding, identifying key considerations such as how funds will be used and how effectiveness of such funding will be measured
- Vice Chancellor for Administrative Services receives request and conducts initial review and recommendation
- Chancellor's Executive Council reviews requests for approval
- Funds are allocated to initiative team

This process assures that initiative teams are adequately resourced to complete their one-year change initiatives. Assuring resources are effectively used and managed is inherent in this process.



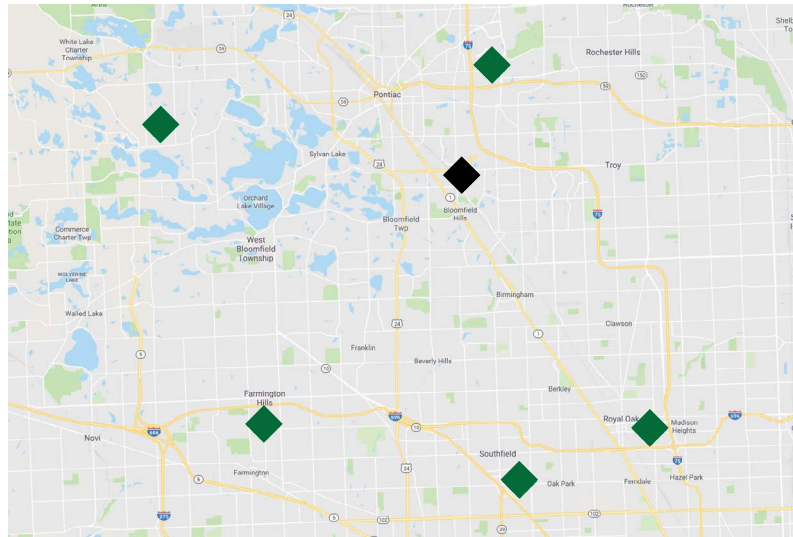


Budgeting for Facilities, Equipment & Information Technology

Facilities and Grounds

Oakland Community College is a large, multi-campus, two-year institution of higher education located in Oakland County. The Oakland Community College physical plant is made up of five academic campuses and one administrative campus. There are 527 acres of land, 70 buildings and over 2.1 million square feet of space. The estimated value of the College buildings exceeds \$700 million and annual physical plant costs approximate \$14 million.

Campus Placement throughout Oakland County



Facilities Department

The Facilities, Operations and Maintenance Department is a centralized organizational unit within the College and is responsible for the entire physical plant assets, including all geographic locations owned and operated by the College. Responsibilities include maintenance of all building and grounds, renovation of facilities and new construction. The primary purpose of this unit is to provide a safe, clean and comfortable environment for students and staff that is conducive to teaching and learning.

Budgeting for Facilities

As our facilities wear with age and heavy use, we must strategically plan to ensure we are meeting the needs and expectations of our students and community while at the same time, balancing the financial challenges currently present in higher education. The average building at OCC is approximately 34 years old.

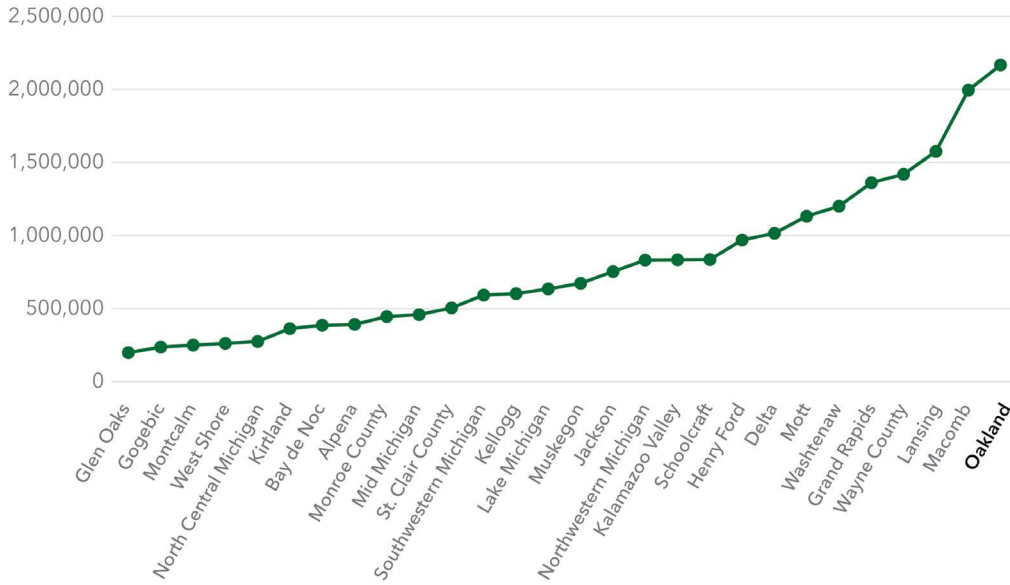
In 1995, the taxpayers of Oakland County approved a .8 mill levy to provide additional financial resources to assist the college in building and maintaining facilities, offering new programs, and providing student scholarships. The millage was renewed by voter consent in 2002 and again in 2010. These funds have been used for their proposed purposes and are a critical part of our Capital Plan budget.

Each year, the College budgets General Fund dollars to be transferred to the Plant Fund for capital and equipment needs. In the past several years, the budgeted transfer to the Plant Fund has been \$15 million. Recent capital projects funded through the Plant Fund include maintenance and replacement, large equipment and major building projects.

How We Compare to Our Peers

With 2.1 million square feet of building space, Oakland Community College is the largest community college in Michigan based on facility size.

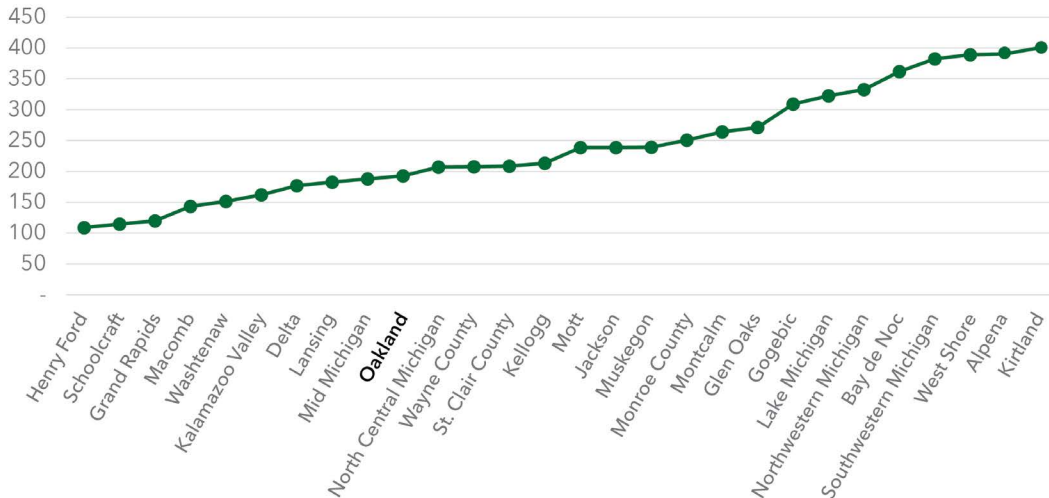
2017/18 Michigan Community College Square Footage



Budgeting for Facilities, Equipment & IT

However, because OCC is also among the top in the number of fiscal year equated students (FYES), our ratio of square feet to FYES of 192.54 places OCC as tenth lowest among the 28 Michigan Community Colleges and on par with the State average of 241.59. The chart below illustrates the College size based on number of students.

2017/18 Square Feet per Fiscal Year Equated Student



With over 2 million square feet of building space, OCC maintains a large footprint. To assist in prioritizing facility needs, the College has employed a consulting firm to provide a comprehensive facility condition needs assessment. The assessment, which is done every 5 years and was last completed in August 2017, is the starting point for future project planning. In addition to the report, the consultants also provide the College with an interactive database that is maintained by the College to monitor costs and track improvements and renovations.

The comprehensive facility condition needs assessment was performed to accomplish the following objectives:

- Provide an inventory of the college’s facilities in a database format to be easily updated and maintained by OCC personnel and allow for quick access to facilities information.
- Determine the condition of the buildings and grounds at OCC and provide the data in a concise format, allowing quick determination of the current replacement value and condition of each facility.
- Determine a Facilities Condition Needs Index (FCNI) for each building, each campus and OCC as a whole. The FCNI is a benchmark index that rates the condition of existing college buildings and is used by facilities managers nationwide to quantify and prioritize deferred maintenance projects for capital planning purposes.
- Assist OCC in meeting the goals of its Mission Statement through timely maintenance of the physical backbone of the college - the buildings of OCC.

Based on the report we have prioritized our major capital projects into the ten buildings with the highest deferred maintenance needs. These ten buildings are all student utilized spaces that require attention in order to continue providing adequate instructional space for student learning and safety.

	Campus - Building	FCNI
1	Auburn Hills - E	0.41
2	Auburn Hills - C	0.40
3	Auburn Hills - A	0.39
4	Auburn Hills - D	0.38
5	Orchard Ridge- H	0.37
6	Orchard Ridge - L	0.37
7	Auburn Hills - T	0.35
8	Auburn Hills - F	0.34
9	Orchard Ridge - J	0.34
10	Orchard Ridge - F	0.32

Facility Maintenance and Equipment Life Cycle Replacement

Management of a large facility portfolio carries with it the responsibility to preserve the assets and maintain them in a condition that will allow the College to effectively carry out its mission. Facility maintenance projects and large equipment purchases are requested at the department level through submission and various approvals in the Questica Budget software. The initiator enters the request and supporting documentation into Questica, approvals are made based on financial resources, environmental, health and safety impact as well as facility requirements. This ensures that before a major purchase is made, we have buy-in from all relevant areas and that related costs of safety and infrastructure are included in the budget.

We anticipate spending up to \$10 million each year on paving, roofing, electrical repairs and HVAC boiler repairs/replacement to maintain a safe and comfortable environment at the College.

Major Capital Projects

In consideration of upgrading facilities and looking to better serve faculty and students while reducing emergency repairs, maintenance and energy cost, the College has developed a Rolling Five Year Capital Plan. This plan considers major capital planning on a college wide basis. The assessment of existing facilities showed the infrastructure components of many buildings have aged significantly. Despite ongoing maintenance and repair, which in most cases has extended the expected usable life beyond industry standards, OCC is currently faced with a large amount of deferred maintenance.

Utilizing the facility needs assessment report provided by the consultants, along with consideration for the programmatic needs of the College community, we have prioritized the projects. The Board of Trustees has dedicated \$30 million a year for the next five years for these projects. Each year, during the budget process, the Board will approve the specific project(s) for the following year's budget. During the FY 2019 budget process, Auburn Hills C building was selected as the top priority and during the FY 2020 budget process, the Royal Oak Power Plant replacement was selected. The next four projects have funding approval and will be strategically chosen based on overall student and community need during the budgeting process for that fiscal year.

Auburn Hills C building was selected because it is a highly used building on our Auburn Hills campus. The building is the home of various science and computer information system (CIS) classrooms. It is also a connector building for the Auburn Hills campus which is used by many students to travel from one side of campus to the other. Auburn Hills C building was originally constructed in 1970 and is out of date. OCC has a continued desire to be a leader in the science, technology, engineering and mathematics (STEM) field as there continues to be a high demand for these students. As such, the science and CIS classroom space did not provide adequate learning spaces for students.



The renovation goals for this building are to provide an inviting facility, with state-of-the-art science and CIS classrooms and laboratories. The College will create cutting age spaces that will enhance the educational experience for students and faculty for the next 40 years. Active learning classrooms will be integrated into the plans to support innovative teaching methods with flexible work space. There is also a plan to make use of natural lighting and windows to provide inviting study spaces that will promote student collaboration and interaction. Accessibility, ADA regulations and inclusion issues will be thoughtfully considered and addressed throughout the renovation project.

College staff, faculty and Board members have engaged with architects over the past year to design this state of the art expansion, connector and renovation shown below. Ground breaking is anticipated for summer 2019.



Looking to fiscal year 2020, the College is planning renovations for the Royal Oak campus. The first phase of the project will be to replace the power plant that feeds the HVAC and electrical needs of the campus. The next phase, slated to begin in fiscal year 2021, will include the addition of a Culinary Institute along Main Street in Royal Oak. The objective of the Royal Oak campus renovation is to provide updated facilities that will enable OCC to work collaboratively with the city to make Royal Oak a unique college town.

As we move forward with our Capital Plan, additional funding sources will be necessary to complete our goals. One funding source that OCC is pursuing is the State of Michigan's Capital Outlay program. This funding is available on an annual basis to community colleges and universities throughout the State. OCC's last Capital Outlay funding occurred in 1993 for Auburn Hills F building. Since 1992, OCC ranks 26th out of 28 in dollar amount of State funding received through the program. We continue down the path of promoting STEM at Auburn Hills with a renovation of the Skilled Trade and Workforce Development areas. This will allow us to properly support the increase in demand for STEM careers throughout our community. It will also facilitate the bringing together of currently dispersed and outdated instructional teaching laboratories and related instructional and support spaces to create a hub for STEM education in Auburn Hills.

Although the road map for future projects has not been fully developed, it will be focused on the future, with flexible spaces that provide rich technological opportunities, active learning spaces and inviting study spaces. Oakland Community College's Capital Plan is an investment in the College, the community and the students.

Information Technology

Oakland Community College's Information Technology Department commits to implementing robust, reliable and secure systems, maintaining the privacy of students, faculty and staff, allowing ease of accessibility, with continuous improvement and high-quality customer service. Through the 6D strategic planning process, the College identifies VFOs and supporting initiatives. The IT resources needed to support the initiatives are identified by the initiative teams and are documented using IT Project requests, which are evaluated by the IT Governance Advisory Group (ITAG).

IT Governance Advisory Group (ITAG)

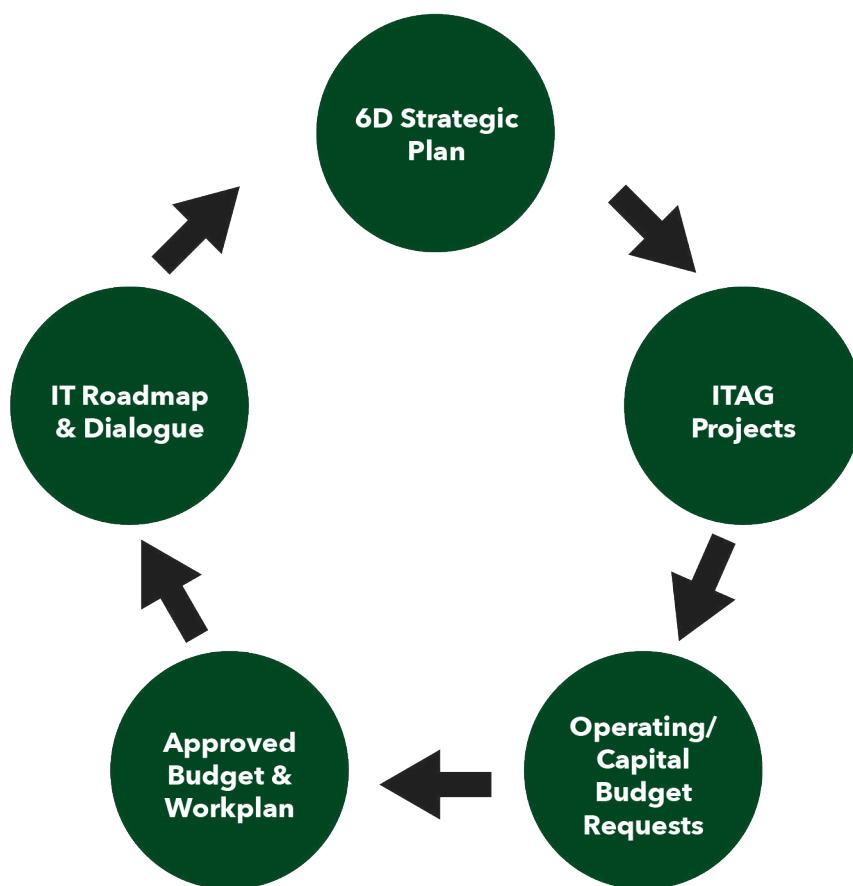
ITAG represents all of the major IT resource consumers in the College and serves to prioritize the deployment of IT resources in support of VFO Initiatives, college operations, etc. IT Project requests are collected from the departments for system enhancements and new systems. The ITAG group prioritizes the project requests through a structured process producing an approved draft work plan for the IT staff.

IT Capital and Operational Planning and Budgeting

IT combines the day-to-day maintenance requirements with the ITAG-approved system enhancement, and/or new system requests (including hardware, software, and services) and builds a Capital and Operational budget request. Once the college budget is approved by the Board of Trustees, the draft work plan is finalized based on what funding has been approved.

IT Roadmap

The IT Roadmap is the college’s Master Information Technology Plan. The roadmap contains projects that align with the college’s strategic plan through support for VFO initiatives. The roadmap details how the College intends to deploy resources for technology in alignment with the strategic initiatives over a 1- to 3-year planning horizon.



Budgeting for Facilities,
Equipment & IT





Budget Policies & Planning

In accordance with General Accepted Accounting Principles (GAAP) as applicable to public colleges and universities and as described in Governmental Accounting Standards Board (GASB), Oakland Community College uses the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

The College's three primary sources of revenue are property taxes, state appropriations, and tuitions and fees. Revenue from state appropriations are recognized in accordance with the accounting method described in the Manual for Uniform Financial Reporting - Michigan Public Community Colleges, 2001, which provides that state appropriations are recorded as revenue in the period for which such amounts are appropriated. Student tuition and related revenues and expenses of an academic semester are reported in the fiscal year in which the program is conducted. Property taxes are recorded as revenue when levied. Functional expense categories are in accordance with the guidelines in the State of Michigan Manual for Uniform Financial Reporting - Michigan Public Community Colleges, 2001.

The College's basis of budgeting is the same as the College's basis of accounting described above excluding the depreciation of capital assets. The Capital Budget reflects the anticipated purchase cost of capital assets rather than the annual depreciation expense.

Annually, the College develops an Operating Budget and a Capital Budget. The Operating Budget consists of the General, Auxiliary and Designated Funds. The General Fund provides the revenue that covers the College's core instruction, instructional support, student services, general administrative costs and physical plant operations. The Auxiliary Fund accounts for activities related to entities that have been specifically designated as auxiliary enterprises. The Designated Funds account for activities related to specific projects and purposes. The Capital Budget provides for the capital and debt service needs of the College, including principal and interest payments of the College's bonds, college-wide capital equipment pools, information technology and physical facility projects.

The Board of Trustees for Oakland Community College governs the College in accordance with the Michigan Constitution, the Michigan Community College Act, Higher Learning Commission Accreditation standards, bylaws, and through adherence to the principles of Carver's policy governance model. At the April, 2018 Board Meeting, the Board approved amended and new Board policies, procedures, bylaws, and an OCC Policy Committee Charter. Included within this document are Budgeting and Forecasting (Policy 3.4), the Financial Condition (Policy 3.5), and the Board Planning Cycle (Policy 1.12).

Budgeting and Forecasting (Policy 3.4)

Policy Statement

The Board has a fiduciary responsibility to ensure that public funds are used in a transparent, ethical, and fiscally responsible manner. As such, the Board shall adopt a budget prior to the start of each fiscal year. The budget is a tool that allows the Board to make resource allocation decisions and monitor institutional performance based upon institutional strategic priorities that are focused on achieving Board Ends. This annual budget is a resource deployment plan that can be amended by the Board throughout the fiscal year to improve strategic outcomes.

To assist the Board with these functions, the Chief Executive Officer (CEO) shall prepare and present a proposed budget for Board consideration and approval. The CEO shall then operate the College within the budget parameters approved by the Board.

Accordingly, the CEO shall not present a proposed budget that fails to:

1. Support the accomplishment of the Board's Ends policies and the College's strategic plan.
2. Support the continuous improvement of student learning, student success and operational effectiveness.
3. Anticipate emerging factors (such as the influence of technology, demographic shifts and globalization) on College programs and services.
4. Consider input from College employees.
5. Reasonably project cash flow, income and expenses.
6. Provide a projection of facility maintenance and improvement projects.
7. Ensure that the fund balance reflects a minimum of three months of operating expenses.
8. Provide adequate support for Board Development activities.
9. Comply with applicable law.

In addition, the CEO shall not present a proposed budget document that fails to:

1. Provide written budget assumptions.
2. Provide a format that is acceptable to the Board.
3. Provide a detailed comparison of the budgeted revenue and expenditures to prior fiscal year actual revenue and expenditures.
4. Include anticipated impact of proposed strategic initiatives on the key performance areas noted in the Monitoring College Effectiveness Policy (4.3).

Financial Condition (Policy 3.5)

Policy Statement

The Board has a fiduciary responsibility to ensure that public funds are used in a transparent, ethical and fiscally responsible manner. The Board adopts a budget for College operations, which will be administered by the CEO who shall administer this Board-approved budget within parameters approved by the Board and shall protect the College from financial risk.

Accordingly, the CEO shall not:

1. Fail to comply with laws, administrative codes, rules, or agency regulations that apply to college activities.
2. Fail to comply with the College's administrative policies, administrative rules, guidelines and procedures.
3. Materially deviate from the approved budget by:
 - a. Expending more funds, without prior Board approval, than have been budgeted in the fiscal year without prior Board approval, except in emergencies.
 - b. Failing to notify the Board of an emergency purchase within a reasonable time frame and to seek budget amendment, as may be appropriate.
 - c. Obligating the organization in an amount greater than can be repaid by unencumbered revenues within the current fiscal year or can be repaid from accounts previously established by the Board for that purpose.
4. Make any purchase without prudent protection against conflict of interest.
5. Fail to implement a system that subjects all contracts for goods and services to a periodic cycle of review for quality and cost, including an assessment of the market.
6. Accept gifts or grants that require the College to commit resources (both human and financial) unless the gift or grant advances the achievement of the Boards Ends, aligns with the College's strategic priorities, and has been endorsed by an impact analysis on future resources.
7. Fail to assist the Board with conducting an annual independent audit of the College that is consistent with Michigan law.
8. Operate without maintaining and improving, as may be necessary, the internal control structure and procedures for financial reporting.
9. Fail to implement a system to ensure that tax payments or other government-ordered payments are submitted in a timely manner.

Board Planning Cycle (Policy 1.12)

Policy Statement

To accomplish its policy governance and oversight responsibilities, the Board shall develop an annual schedule of meetings (Board Calendar) as part of its planning cycle. Each member of the Board shall have an opportunity to identify policy issues for consideration throughout the year on each Board agenda. The Board shall use a governance style consistent with Board policies by:

1. Reviewing Ends policies annually;
2. Holding two Board and CEO monitoring effectiveness retreats each fiscal year;
3. Conducting a progress review of strategic initiatives, including the College's five-year planning model;
4. Developing meeting agendas consistent with the Board governance policy and bylaws; and
5. Continuously improving Board and Trustee performance by participation in appropriate professional development activities.

The Board calendar shall be developed in accordance with the following guidelines:

1. The Board Chair, after consultation with the CEO and obtaining input from Trustees, shall create a draft of the Board calendar for Board consideration by December of each year.
2. Continuing Education of the Board and Trustees is paramount in structuring meetings and other Board activities.
3. The Board's January organizational meeting shall be included.
4. The Board and CEO may hold a mid-year monitoring effectiveness session each calendar year, if necessary.
5. The CEO's annual performance assessment shall be held no later than November 30.
6. The Board's annual self-assessment shall be held no later than December 31.
7. The presentation of College Monitoring Reports, as noted in the College Monitoring Policy 4.3, shall be included in the Board Calendar.
8. The routine review of Board policies, based on the five-year review cycle noted in the Policy and Creation and Review Policy 1.4 shall be included in the Board Calendar.
9. The College budget shall be approved by the Board no later than June. During the course of the fiscal year, revised budgets may be submitted to the Board for approval as necessary.
10. In years where HLC Accreditation visits are anticipated, a retreat for the purpose of preparing the Board for the visit shall take place approximately two weeks prior to the scheduled visit and shall be included in the Board calendar.
11. Board policies and policy revisions shall not be adopted until they have been considered at a minimum of two meetings (for first reading and second reading consideration), unless board action waives this requirement and immediate effect is authorized.

As a framework for the development of the Board Calendar, the following non-exhaustive list of events provides an example for planning purposes:

January:

- Organizational meeting held at the first meeting of the Board in January following the date of the regular College District election. See Board Bylaw Article IV, Section 4(f) (MI Community College Act, 389.111)
- Conflict of Interest Statements due per Policy 1.13
- Confirm Monitoring Report presentation schedule
- Confirm schedule for Board retreats
- Ends Report

February:

- ACCT Legislative Summit
- Quarterly Reports
- Ends Report

March:

- MCCA Board of Directors Meeting
- Budget preview: preparation of tax estimates and appropriations deemed necessary for the ensuing fiscal year’s revenue and expenditure proposals

April:

- AGB National Conference on Trusteeship
- AACC National Convention
- Budget Hearing & Approval
- Ends Report

May:

- Quarterly Reports
- Ends Report

June:

- Ends Report

July:

- Meet as needed
- MCCA Summer Workshop

September:

- Quarterly Reports
- Ends Report
- Strategic Value Resolution

October:

- Fiscal Year-End Financial Audit Report
- ACCT Leadership Congress
- MCCA Board of Directors
- Ends Report

November:

- Quarterly Report
- Ends Report
- Annual Safety Report
- Establish Tuition and Fees for subsequent fiscal year
- Annual assessment of CEO performance

December:

- Set policy and bylaw review schedule for the year
- Adopt a Board meeting calendar for subsequent fiscal year
- Ends Report
- Installation of new Trustees (if necessary)
- New Trustee Orientation (if necessary)
- Annual Board self-assessment

Timeline for Budget Development

Annually, the Department of Budget and Financial Planning establishes a timeline for budget development. An example of a general timeline is provided below.

Executive Council to review College's staffing plans for the next budget year	June/July
Executive Council Strategic Planning Retreat to refresh mission, values, vision, VFOs and initiatives	July
Update Questica Budget Software for the new budget period	July/August
Review strategic initiatives and budget assumptions with Executive Council	Early September
Prepare budget training materials	Early September
Meet with Deans and Department Heads to discuss values, strategic initiatives and planning/budgeting assumptions	Early/Mid-September
Conduct Questica Budget Software training and communicate budget development criteria to budget managers and support staff	Late September
Hold open budget lab sessions	Early October
Budget areas develop budget requests based on college VFOs and area strategic plans/initiatives	October/November
Operating budgets due to Business Managers for review	Mid-November
Software requests due to Business Managers for review	Late November
Furniture & Equipment requests due to Business Managers for review	Mid-December
Capital budgets due to the Director of Budget & Financial Planning	End of December
Furniture & Equipment and Software Budget Committees meet to prioritize and approve requests	Early January
Director of Budget & Financial Planning to consolidate requests and prepare initial budget numbers	Mid-January
Prepare Proposed Budget	Late January
Hold small group meetings with Board of Trustees to discuss and review Proposed Budget	February/March
Hold public hearing to consider the College's Proposed Budget	March
Adoption of the Budget by the Board of Trustees	May





Budget Narrative

Overview

The College applied for the Government Finance Officers Association's (GFOA) Award for Best Practices in Community College Budgeting in fiscal year 2019. The GFOA encourages community colleges to follow Best Practices in Community College Budgeting to develop a budget process that clearly shows how resources are allocated to foster strategic goals. For fiscal year 2020, a new step was added to the budget development process to clearly link the College's allocation of funding to our Strategic Plan. Any area requesting a budget increase greater than their spending in fiscal year 2018 was asked to substantiate the request by justifying how it would support one of the College's five Vital Few Objectives. This new step supports a strategically driven approach to funding and provides an opportunity for the College to assess the effectiveness of its spending plan once the academic year is complete. Any gaps in anticipated results can then be measured, evaluated and addressed.

Having an approach to resource allocation that is linked to our mission is vital as we continue to honor our commitment to our students and the community while meeting the fiscal challenges surrounding these goals. The College depends on three main sources of revenue for its operations; tuition and fees, property taxes, and state appropriations. Overall revenue for the College is projected to decline by approximately \$2.8 million in fiscal year 2020 as many of the concerns we faced last year are still relevant.

Both the state and the county are projecting unemployment rates to remain at low levels for the foreseeable future. More people being employed has the effect of reducing the number of potential students looking to return to college to upgrade or change their job skills. The number of high school graduates in the state also continues to decline, further reducing the available pool of potential students. Both of these factors have led to a projected 6% decline in enrollment for fiscal year 2020.

The majority of the College's property tax revenue comes from Oakland County and fortunately for the county and the College, most residential property tax values have fully recovered from the down turn caused by the Great Recession. Working with information from the County, property tax revenue is expected to increase by 1.8% or \$1.5 million over the 2019 fiscal year budget with additional increases also expected in each of the four forecasted years.

Governor Whitmer's budget recommendation for fiscal year 2020 proposes an overall 3% increase in community college state appropriations. This increase is planned to be offered to institutions maintaining increases in tuition and fees for resident students at 3.2% or \$128, whichever is greater. The budget proposal, if passed, would provide approximately \$750,000 of additional funding to the College and as a result, OCC has recommended a tuition rate increase of 3% in fiscal year 2020, which is below the tuition cap proposed by the Governor. Since a final state budget has not yet been passed, the College has conservatively projected state aid to remain unchanged from fiscal year 2019 levels.

In line with fiscal year 2020 projected declines in revenue, overall operating expenditures and net transfers to non-operating funds are also projected to decrease by about \$1.9 million from fiscal year 2019 budget levels. Salary and benefits combined, which comprise the major portion of all operating expenses and net transfers, are projected to increase by just under \$1 million. This is due in large part to the College's strategic staffing practices. The College's remaining operating expenses are forecasted to decrease approximately \$2.8 million from last year's budget. This decrease is the result of efforts to contain costs while allocating available resources in a manner that supports our mission.

During fiscal year 2019, the College introduced its Rolling Five Year Capital Plan. The plan is backed by a professional analysis of our facilities and input from reliable internal and external sources and establishes a comprehensive roadmap for tackling our infrastructure requirements. This blueprint for sound capital planning has been updated and built into this year's budget and forecast.

The net results of these projections and plans is a modest operating budget surplus of about \$1.1 million for fiscal year 2020. This is the result of the continued hard work and collaborative effort by the College's faculty, staff, management, and administration to ensure that we are fiscally responsible in order to fulfill our commitment to empower our students to succeed and advance our community.

Operating Fund Budget

The Operating Fund Budget includes:

General Fund

The General Fund is the chief operating fund of the College and provides the revenue that covers the College's core instruction, instructional support, student services, information technology, general administrative costs and physical plant operations. The major sources of revenue in the General Fund include property taxes, state appropriations, and tuition and fees, which together, typical account for at least 95% of total revenue generated in the fund.

Auxiliary Fund

The Auxiliary Fund accounts for the activities of the College's campus bookstores. The bookstores provide new, used and rental textbooks, required and recommended supplementary course materials, and basic supplies in support of the institution's academic programs.

Designated Fund

The Designated Fund is used to account for activities that the administration wants to consider separately from the General Fund. There are many activities recorded in this fund including Economic and Workforce Development, Police Services, Fire Services, Culinary Studies, and CREST (Combined Regional Emergency Services Training). Also included within this fund are other designated funds which record the annual operations of food services, short courses, and continuing education programs.

Revenues

The College is projecting \$165,947,201 of revenues from its Operating Fund in fiscal year 2020.

Operating Budget Revenues

	2017 Actual	2018 Actual	2019 Budget	2020 Budget	% Change 2019-2020
REVENUES:					
Property Taxes	\$80,835,826	\$82,889,739	\$87,338,949	\$88,890,000	1.78%
State Appropriations	23,847,244	24,715,817	23,905,700	24,093,000	0.78%
Tuition & Fees	45,918,803	43,768,300	45,239,512	41,054,361	-9.25%
Auxiliary Activities	7,374,095	6,229,489	7,563,523	5,602,825	-25.92%
Investment Income	2,932,026	4,268,138	4,031,600	4,900,000	21.54%
Miscellaneous Revenue	808,285	861,130	669,385	1,434,015	114.23%
Unrealized Gain/(Loss) on Investments	(3,023,649)	(3,768,646)	-	-	0.00%
Total Revenues	\$158,692,630	\$158,963,967	\$168,748,669	\$165,974,201	-1.64%

Budget Narrative

The College is projecting the following total revenues in its Operating Fund for fiscal years 2020 through 2024.

	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Total Revenues	\$168,748,669	\$165,974,201	\$167,595,048	\$170,573,157	\$174,250,893	\$181,217,155

Major components of the revenue projections are:

Property Taxes:

Most of the College's property tax revenue is derived from Oakland County and represents the largest source of total revenue for the College. On the average, most residential property tax values have fully recovered from the down turn caused by the Great Recession which began in December, 2007. Working with information from Oakland County's Equalization Division, the College is projecting general property tax revenue to increase by 1.8% over the 2019 fiscal year budget. For fiscal year 2021, general property tax revenue is expected to increase by 2.9%; and for each year thereafter, a 2.8% increase is projected. The College will levy the maximum annual millage rate estimated to be 1.5431 mills.

State Appropriations:

The funding community colleges receive from the state is comprised of two parts. One part of the state aid provides funding for the College's operations and the other part subsidizes the College's unfunded accrued liability contributions to the Michigan Public School Employees Retirement System. The pension portion of the state aid the College receives is remitted back to the state.

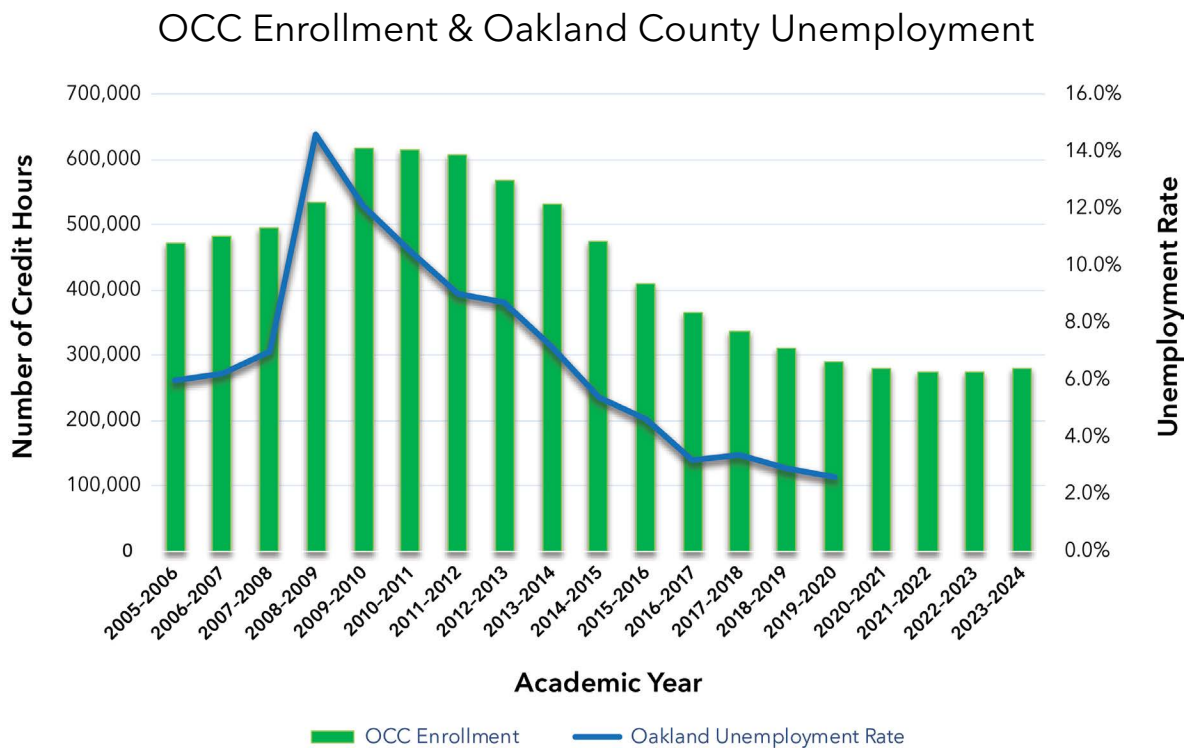
Beginning with fiscal year 2016's audited financial statements, the College began reporting the unfunded accrued liability contributions in a separate Pension Liability Fund. Therefore, state appropriations in the Operating Fund only reflects state aid provided for the funding of the College's operations.

Governor Whitmer's Fiscal Year 2020 Executive Budget Recommendation proposed a 3% increase in state aid funding to each community college that agreed to restrain from increasing tuition and fees for resident students more than 3.2 percent or \$128, whichever is greater. Since a final state budget has not been passed, the College conservatively projects state aid to remain at anticipated fiscal year 2019 levels.

2012 Michigan legislation provided a personal property tax exemption for small taxpayers and eligible manufacturing personal property. In order to provide for the reimbursement of the lost personal property tax revenue, the state also created a Local Community Stabilization Authority (Authority) to share the 6% use tax levied by the Authority. Included in the College's state aid budget for fiscal year 2020 is an estimated \$2 million personal property tax reimbursement anticipated from the Authority.

Tuition and Fees:

The revenue received from tuition and fees is driven by student enrollment. Historically, the enrollment has been correlated with the unemployment rate. Both the state and the county are projecting unemployment rates to remain at low levels for the foreseeable future. While great news for our economy, the low unemployment rate has the effect of reducing the number of potential students looking to return to college to upgrade or change job skills. At the same time we are faced with low unemployment rates, we are also confronted by a decline in the number of high school graduates, further reducing the available pool of potential students.



Data Sources: <https://ycharts.com>; Economic Development & Community Affairs (April, 2018), *Oakland County 33rd Economic Outlook Summary 2018 - 2020*, Oakland County, MI; OCC Institutional Effectiveness.

These projections provide challenges, but they are not insurmountable. The College’s strategic plan and related initiatives are aligned to grow our student body and to improve our retention rates. While the projections for capped contact hours discussed below reflect a decline in enrollment until 2023, our well-focused initiatives are designed to mitigate these trends.

For fiscal year 2020, billable contact hours are estimated to be 310,060. This represents a 6% overall decline in billable contact hours from the most recent estimate of 329,850 for fiscal year 2019. Billable contact hours are expected to decline another 4% in fiscal year 2021, 2% in fiscal year 2022, remain flat in fiscal year 2023, and rise 2% in fiscal year 2024.

The College assumes a 3% tuition rate increase each year from 2020 through 2024 as shown in the table below.

	Current	FY2020	FY2021	FY2022	FY2023	FY2024
In-District	\$92.00	\$94.50	\$97.50	\$100.50	\$103.50	\$106.50
Out-of-District	\$178.00	\$183.00	\$188.50	\$194.00	\$200.00	\$206.00

Tuition and fees are expected to generate the following revenue based on the projected enrollment and tuition and fee rates:

	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Tuition and Fees	\$45,239,512	\$41,054,361	\$40,134,830	\$40,403,258	\$41,430,740	\$45,726,274

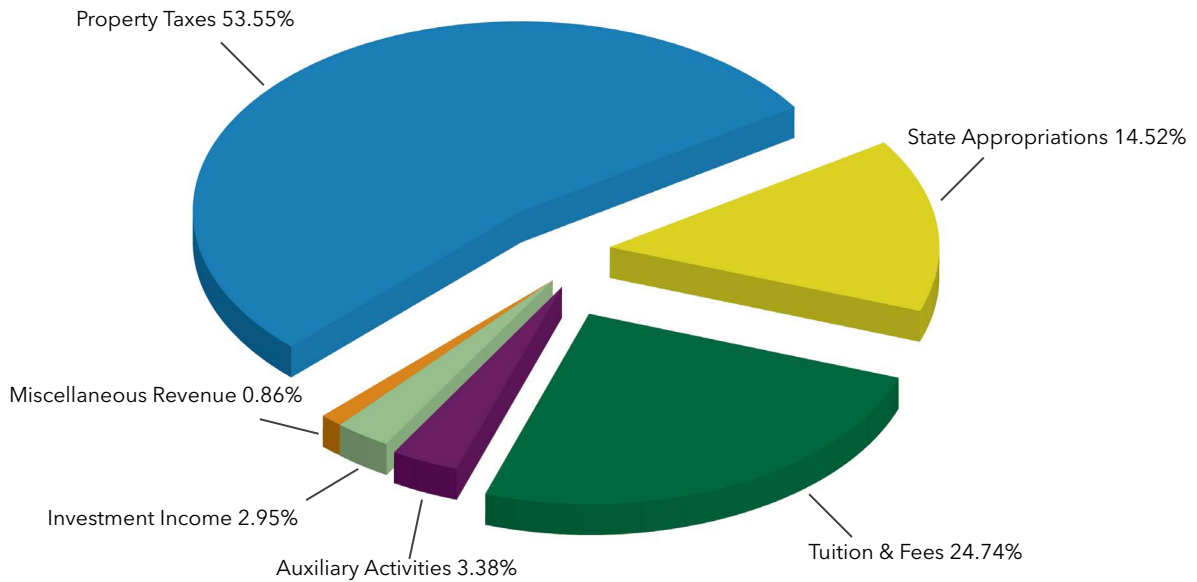
Investment Income:

Michigan Community College investments must conform to State statutes governing investment of public funds and as such, the College is limited to investing in government bonds, bills, and notes; certificates of deposits, savings accounts or other interest-earning deposit accounts held in banks and credit unions; and prime rated commercial paper. Based on projected returns, revenue from these investments is expected to be approximately \$4.9 million in fiscal year 2020. A reduction of approximately \$200,000 per year is projected thereafter in anticipation of a declining portfolio to fund planned facility renovations.

Miscellaneous Revenue:

This category comprises ticket sales from the Theater and other revenue sources that cannot be classified elsewhere. Budgeted and forecasted revenue are derived from historical trends and input from the College community.

FY2020 Total Estimated Revenue



Expenses and Net Transfers

The College is projecting \$164,856,949 of expenses and net transfers in its Operating Fund for fiscal year 2020.

Operating Budget Expenses & Net Transfers

Budget Narrative

	2017 Actual	2018 Actual	2019 Budget	2020 Budget	% Change 2019-2020
EXPENSES:					
Employee Salaries & Wages	\$69,281,645	\$68,312,847	\$73,817,149	\$74,385,355	0.77%
Fringe Benefits	29,434,161	28,787,217	34,642,565	34,968,520	0.94%
Contracted Temporary Personnel	2,854,233	2,916,795	6,230,039	4,563,660	-26.75%
Utilities	3,447,685	3,528,472	4,173,018	4,237,512	1.55%
Other Operating Expenses	22,009,042	20,947,896	32,234,256	31,101,902	-3.51%
Total Expenses	127,026,766	124,493,227	151,097,027	149,256,949	-1.22%
NET TRANSFERS:					
Restricted Fund	(497,085)	(439,125)	(630,000)	(600,000)	-4.76%
Plant Fund	(30,000,000)	(30,000,000)	(15,000,000)	(15,000,000)	0.00%
Total Net Transfers	(30,497,085)	(30,439,125)	(15,630,000)	(15,600,000)	-0.19%
Total Expenses & Net Transfers	\$157,523,851	\$154,932,352	\$166,727,027	\$164,856,949	-1.12%

The College is projecting the following total expenses and net transfers in its Operating Fund for fiscal years 2020 through 2024.

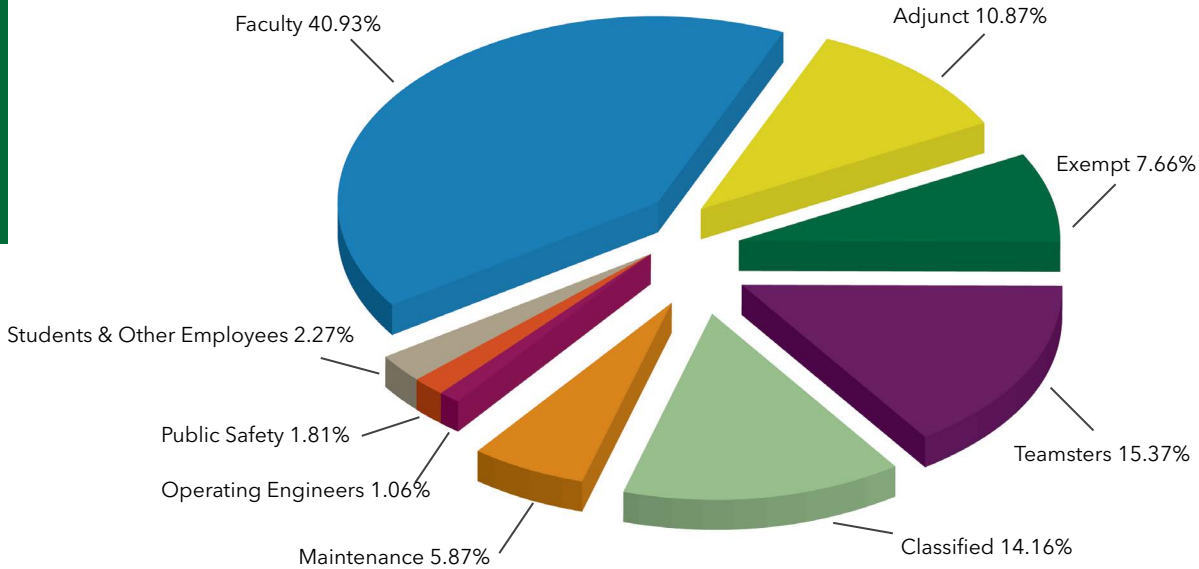
	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Expenses & Net Transfers	\$166,727,027	\$164,856,949	\$168,053,340	\$172,664,096	\$177,176,502	\$181,866,683

Major components of the expense and net transfer projections are as follows:

Employee Salaries and Wages:

Strategic staffing practices continue to help contain the College’s payroll expenses. Employee salaries and wages are expected to increase less than 1% in fiscal year 2020 largely due to the elimination of vacant positions.

FY2020 Estimated Salaries and Wages by Group



FICA/Medicare, Retirement, and Fringe Benefits:

- FICA/Medicare is the College’s contribution to FICA and Medicare. The rate used for each of the five years is 7.65%.
- Retirement is the College’s contribution to the Michigan State Public School Employees Retirement System (MPSERS) or the Optional Retirement Program (ORP). The ORP rate is anticipated to be 11% of eligible pay for fiscal years 2020 through 2024. The College is using a MPSERS rate of 27.18% in the fiscal year 2020 budget and has projected that the rate will increase 1% each year thereafter.
- Fringe Benefit Costs include healthcare, dental and vision group insurance, tuition benefits, life and disability insurance, and workers’ compensation. Effective January 1, 2016, the College adopted the state of Michigan employer maximum “Hard Cap” for healthcare costs. The budget and forecast assumes an annual increase in the cap of 2%. All other benefits are budgeted to remain unchanged based on existing vendor contracts or increase between 2% and 4% each year, excluding tuition reimbursements, which are based on existing bargaining unit agreements.

Contracted Temporary Personnel:

This category represents individuals and agencies that are contracted to provide services to the College. Contracted temporary personnel needs are projected to decline about \$1.7 million. This is mainly due to some temporary positions becoming permanent positions.

	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Contracted Temporary Personnel	\$6,230,039	\$4,563,660	\$4,349,060	\$4,441,887	\$4,531,517	\$4,620,040

Utilities:

The College continues to work to control utility costs through its comprehensive energy management plan. Because of these efforts, utility costs for fiscal year 2020 are projected to have a modest increase of approximately 1.5% over the fiscal year 2019 budget. Utility costs are projected to rise each year thereafter but are expected not to exceed an annual increase of more than 2%. The upward adjustment is to accommodate anticipated increases in electrical and natural gas prices and an increase in utility usage due to projected higher than normal temperatures during the summer months and lower than normal temperatures during the winter months.

	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Utilities	\$4,173,018	\$4,237,512	\$4,304,790	\$4,375,092	\$4,462,594	\$4,551,846

Other Operating Expenses:

This category includes a wide variety of components that are estimated based on different criteria:

- Budgets for space rental, computer and equipment maintenance, and other contractual commitments are based on their respective contracts.
- Legal fees, fire and liability insurance, and other recurring administrative costs are budgeted based on historical spending levels and expected rate increases.
- Supplies and other services are based on expected need.

Other operating expenses are shown in the table below:

	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Other Operating Expenses	\$32,234,256	\$31,101,902	\$30,667,907	\$31,134,780	\$31,539,806	\$32,161,653

Budget Narrative

Net Transfers:

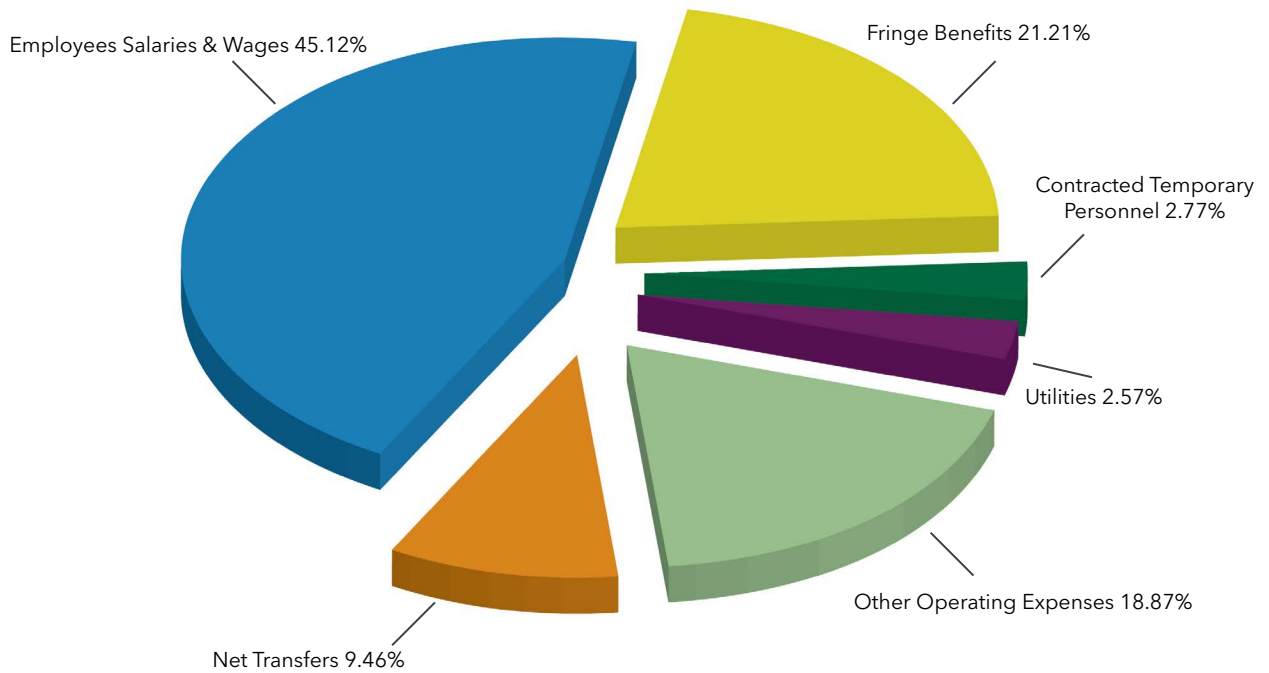
Restricted Fund - The fiscal year 2020 budget is \$600,000. This is a \$30,000 reduction from the fiscal year 2019 budget. This transfer represents mandatory and non-mandatory matching financial aid contributions from the General Fund.

Plant Fund - The fiscal year 2020 budget is \$15,000,000, the same as fiscal year 2019. In 2012, the College hired a facilities consulting service to evaluate the condition of the College’s facilities. One of the recommendations from the study was that the College should maintain an annual facility budget of \$15 million. In line with this recommendation, the College budgets a minimum transfer of \$15 million annually from the General Fund to the Plant Fund.

	FY2019 Budget	FY2020 Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast	FY2024 Forecast
Net Transfers	\$15,630,000	\$15,600,000	\$15,600,000	\$15,600,000	\$15,600,000	15,610,000

Budget Narrative

FY2020 Total Estimated Operating Expenses (By Object) and Net Transfers



Capital Budget

The Capital budget provides for the capital and debt service needs of the College, including principal and interest payments on the College’s bonds, college-wide capital equipment pools, and information technology and physical facility projects. The forecasted expenditures in the Capital budget were based on input from the College community.

Other Funds

The College has other funds that are not operating funds or capital funds, and are therefore not included in the budget or forecast, but are described below.

Pension Liability Fund

In fiscal year 2015, GASB (Governmental Accounting Standards Board) Statement No. 68 required that the College, as a cost-sharing employer of the Michigan Public School Employees' Retirement System (MPERS), report its proportionate share of the plan's collective unfunded net pension liability within its financial statements. Also in fiscal year 2015, GASB Statement No. 71, as a clarification of GASB 68, required the College to recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. In accordance with these requirements, the College reported a Net Pension Liability, net of deferred inflows and outflows, of \$168.9 million as a change in accounting principle adjustment to Unrestricted Net Position as of July 1, 2014. In fiscal year 2016, the College created a separate fund called the Pension Liability Fund to reflect the GASB 68 adjustments and the state appropriations for the MPERS UAAL (Unfunded Actuarial Accrued Liability).

For the year ended June 30, 2018, the College implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. This statement requires governments providing other postemployment benefit (OPEB) plans to recognize their unfunded OPEB obligation for the first time, and to more comprehensively and comparably measure the annual costs of OPEB benefits. In fulfillment of these requirements, the College reported a change in accounting principle adjustment to the unrestricted net position of the Pension Liability Fund of \$60.4 million, which is the net of the net OPEB liability and related deferred outflows as of July 1, 2017. At the end of fiscal year 2018, the net position in this fund was a negative \$227.1 million.

Restricted Funds

These funds are restricted for specific scholarship or academic programs by the donor, or contain restricted funds from a grant program, which must be spent according to the guidelines of the granting agency. This fund also includes mandatory and non-mandatory matching financial aid contributions from the General Fund.

The College also receives about \$1 million annually in grant funding under the Federal Carl D. Perkins Career and Technical Education Improvement Act. The funds are provided to improve the academic performance of students, particularly special population students, who are enrolled in career and technical education programs. Funding can be used to supplement technical program costs such as necessary equipment and supplies, student tutoring, professional development, Career and Technical Education (CTE) paraprofessional salaries, and CTE instructors if they comply with funding guidelines. Proposed lists of expenditures for the Perkins grant will be brought to the Board of Trustees in fiscal year 2020 for their approval.

Quasi-Endowment Fund

The College's Quasi-Endowment was established years ago by the Board of Trustees to operate similar to an endowment fund, where the principal is left intact and only the interest is used for paying down debt and scholarship funding. At the end of fiscal year 2020, the estimated net position in this fund is expected to be approximately \$17.5 million.



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Operating Fund

The Operating Fund is comprised of the General Fund, Auxiliary Fund, and the Designated Fund. The General Fund is the chief operating fund of the College and provides the revenue that covers the College's core instruction, instructional support, student services, information technology, general administrative costs and physical plant operations. The Auxiliary Fund accounts for activities of the College's campus bookstores. The Designated Fund is used to account for activities that administration wants to consider separately from the General Fund. There are many activities recorded in this fund including Economic and Workforce Development, Police Services, Fire Services, Culinary Studies, and CREST (Combined Regional Emergency Services Training).

Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

Operating Fund

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget
REVENUES:						
Property Taxes	\$75,763,312	\$77,283,938	\$79,964,028	\$80,835,826	\$82,889,739	\$87,338,949
State Appropriations	24,111,778	27,140,582	21,645,361	23,847,244	24,715,817	23,905,700
Tuition & Fees	55,257,783	52,188,360	47,842,583	45,918,803	43,768,300	45,239,512
Auxiliary Activities	12,910,653	11,085,717	9,013,538	7,374,095	6,229,489	7,563,523
Investment Income	2,803,019	3,041,597	2,388,203	2,932,026	4,268,138	4,031,600
Miscellaneous Revenue	822,485	966,263	732,680	808,285	861,130	669,385
Unrealized Gain/(Loss) on Investments	1,088,338	4,483,069	2,437,173	(3,023,649)	(3,768,646)	-
Total Revenues	172,757,368	176,189,526	164,023,566	158,692,630	158,963,967	168,748,669
EXPENSES:						
Employee Salaries & Wages	85,734,211	77,798,361	73,857,530	69,281,645	68,312,847	73,817,149
Fringe Benefits	39,100,771	40,721,116	32,712,810	29,434,161	28,787,217	34,642,565
Contracted Temporary Personnel	3,671,025	3,231,255	3,474,204	2,854,233	2,916,795	6,230,039
Utilities	4,223,575	3,860,879	3,290,254	3,447,685	3,528,472	4,173,018
Other Operating Expenses	30,330,702	27,263,694	23,410,147	22,009,042	20,947,896	32,234,256
Total Expenses	163,060,284	152,875,305	136,744,945	127,026,766	124,493,227	151,097,027
NET TRANSFERS:						
Restricted Fund	(450,557)	(588,474)	(707,822)	(497,085)	(439,125)	(630,000)
Plant Fund	(12,170,000)	-	(20,000,000)	(30,000,000)	(30,000,000)	(15,000,000)
Total Net Transfers	(12,620,557)	(588,474)	(20,707,822)	(30,497,085)	(30,439,125)	(15,630,000)
Increase (Decrease) in Net Position	(2,923,473)	22,725,747	6,570,799	1,168,779	4,031,615	2,021,642
Net Position - Beginning of year	42,794,065	39,870,592	62,596,339	69,167,138	70,335,917	74,367,532
Net Position - End of year	\$39,870,592	\$62,596,339	\$69,167,138	\$70,335,917	\$74,367,532	\$76,389,174
					Required Board Policy Reserves*	\$32,355,412

*Board Policy 3.4 requires that the budget's fund balance reflects a minimum of three months of operating expenses.

Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
\$88,890,000	\$91,460,000	\$94,060,000	\$96,690,000	\$99,350,000
24,093,000	24,093,000	24,093,000	24,093,000	24,093,000
41,054,361	40,134,830	40,403,258	41,430,740	45,726,274
5,602,825	5,743,836	5,929,391	6,104,239	6,284,332
4,900,000	4,700,000	4,600,000	4,400,000	4,200,000
1,434,015	1,463,382	1,487,508	1,532,914	1,563,549
-	-	-	-	-
165,974,201	167,595,048	170,573,157	174,250,893	181,217,155
74,385,355	76,559,629	78,855,181	81,082,807	83,178,479
34,968,520	36,571,954	38,257,156	39,959,778	41,744,665
4,563,660	4,349,060	4,441,887	4,531,517	4,620,040
4,237,512	4,304,790	4,375,092	4,462,594	4,551,846
31,101,902	30,667,907	31,134,780	31,539,806	32,161,653
149,256,949	152,453,340	157,064,096	161,576,502	166,256,683
(600,000)	(600,000)	(600,000)	(600,000)	(610,000)
(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)
(15,600,000)	(15,600,000)	(15,600,000)	(15,600,000)	(15,610,000)
1,117,252	(458,292)	(2,090,939)	(2,925,609)	(649,528)
76,389,174	77,506,426	77,048,134	74,957,195	72,031,586
\$77,506,426	\$77,048,134	\$74,957,195	\$72,031,586	\$71,382,058
\$33,551,418	\$35,403,934	\$37,733,943	\$38,231,199	\$39,257,828

Operating Fund

Five-Year History with Budget and Forecast
Revenues and Expenses by **Activity** • FY2014-2024

Operating Fund

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget
REVENUES:						
Property Taxes	\$75,763,312	\$77,283,938	\$79,964,028	\$80,835,826	\$82,889,739	\$87,338,949
State Appropriations	24,111,778	27,140,582	21,645,361	23,847,244	24,715,817	23,905,700
Tuition & Fees	55,257,783	52,188,360	47,842,583	45,918,803	43,768,300	45,239,512
Auxiliary Activities	12,910,653	11,085,717	9,013,538	7,374,095	6,229,489	7,563,523
Investment Income	2,803,019	3,041,597	2,388,203	2,932,026	4,268,138	4,031,600
Miscellaneous Revenue	822,485	966,263	732,680	808,285	861,130	669,385
Unrealized Gain/(Loss) on Investments	1,088,338	4,483,069	2,437,173	(3,023,649)	(3,768,646)	-
Total Revenues	172,757,368	176,189,526	164,023,566	158,692,630	158,963,967	168,748,669
EXPENSES:						
Instruction	67,684,007	65,551,827	57,564,111	53,452,580	49,018,741	55,386,237
Instructional Support	23,101,181	23,128,075	21,162,042	20,682,966	17,740,077	24,814,454
Student Services	28,198,883	24,613,140	22,182,485	19,300,663	17,999,239	21,357,807
Institutional Administration	26,467,175	21,097,364	18,383,258	16,410,677	15,612,229	19,326,815
Information Technology	-	-	-	-	7,162,968	9,405,062
Physical Plant Operations	17,417,106	18,307,703	17,327,447	17,061,195	16,847,486	19,368,550
Public Services	191,932	177,196	125,602	118,685	112,487	1,438,103
Total Expenses	163,060,284	152,875,305	136,744,945	127,026,766	124,493,227	151,097,027
NET TRANSFERS:						
Restricted Fund	(450,557)	(588,474)	(707,822)	(497,085)	(439,125)	(630,000)
Plant Fund	(12,170,000)	-	(20,000,000)	(30,000,000)	(30,000,000)	(15,000,000)
Total Net Transfers	(12,620,557)	(588,474)	(20,707,822)	(30,497,085)	(30,439,125)	(15,630,000)
Increase (Decrease) in Net Position	(2,923,473)	22,725,747	6,570,799	1,168,779	4,031,615	2,021,642
Net Position - Beginning of year	42,794,065	39,870,592	62,596,339	69,167,138	70,335,917	74,367,532
Net Position - End of year	\$39,870,592	\$62,596,339	\$69,167,138	\$70,335,917	\$74,367,532	\$76,389,174

Expenses are presented using Activities Classification Structure (ACS) categories. See Appendix A for the definition of ACS categories.

Five-Year History with Budget and Forecast
Revenues and Expenses by **Activity** • FY2014-2024

2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
\$88,890,000	\$91,460,000	\$94,060,000	\$96,690,000	\$99,350,000
24,093,000	24,093,000	24,093,000	24,093,000	24,093,000
41,054,361	40,134,830	40,403,258	41,430,740	45,726,274
5,602,825	5,743,836	5,929,391	6,104,239	6,284,332
4,900,000	4,700,000	4,600,000	4,400,000	4,200,000
1,434,015	1,463,382	1,487,508	1,532,914	1,563,549
-	-	-	-	-
165,974,201	167,595,048	170,573,157	174,250,893	181,217,155
55,290,788	56,941,165	58,798,894	60,632,147	62,358,391
21,619,983	22,238,101	22,931,027	23,653,835	24,507,212
21,929,445	22,676,893	23,416,258	24,225,847	24,945,977
19,565,154	19,704,924	20,376,366	20,830,821	21,508,105
10,663,924	10,485,125	10,619,123	10,787,255	10,874,720
19,133,831	19,651,182	20,154,124	20,665,257	21,267,627
1,053,824	755,950	768,303	781,339	794,652
149,256,949	152,453,340	157,064,096	161,576,502	166,256,683
(600,000)	(600,000)	(600,000)	(600,000)	(610,000)
(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)
(15,600,000)	(15,600,000)	(15,600,000)	(15,600,000)	(15,610,000)
1,117,252	(458,292)	(2,090,939)	(2,925,609)	(649,528)
76,389,174	77,506,426	77,048,134	74,957,195	72,031,586
\$77,506,426	\$77,048,134	\$74,957,195	\$72,031,586	\$71,382,058

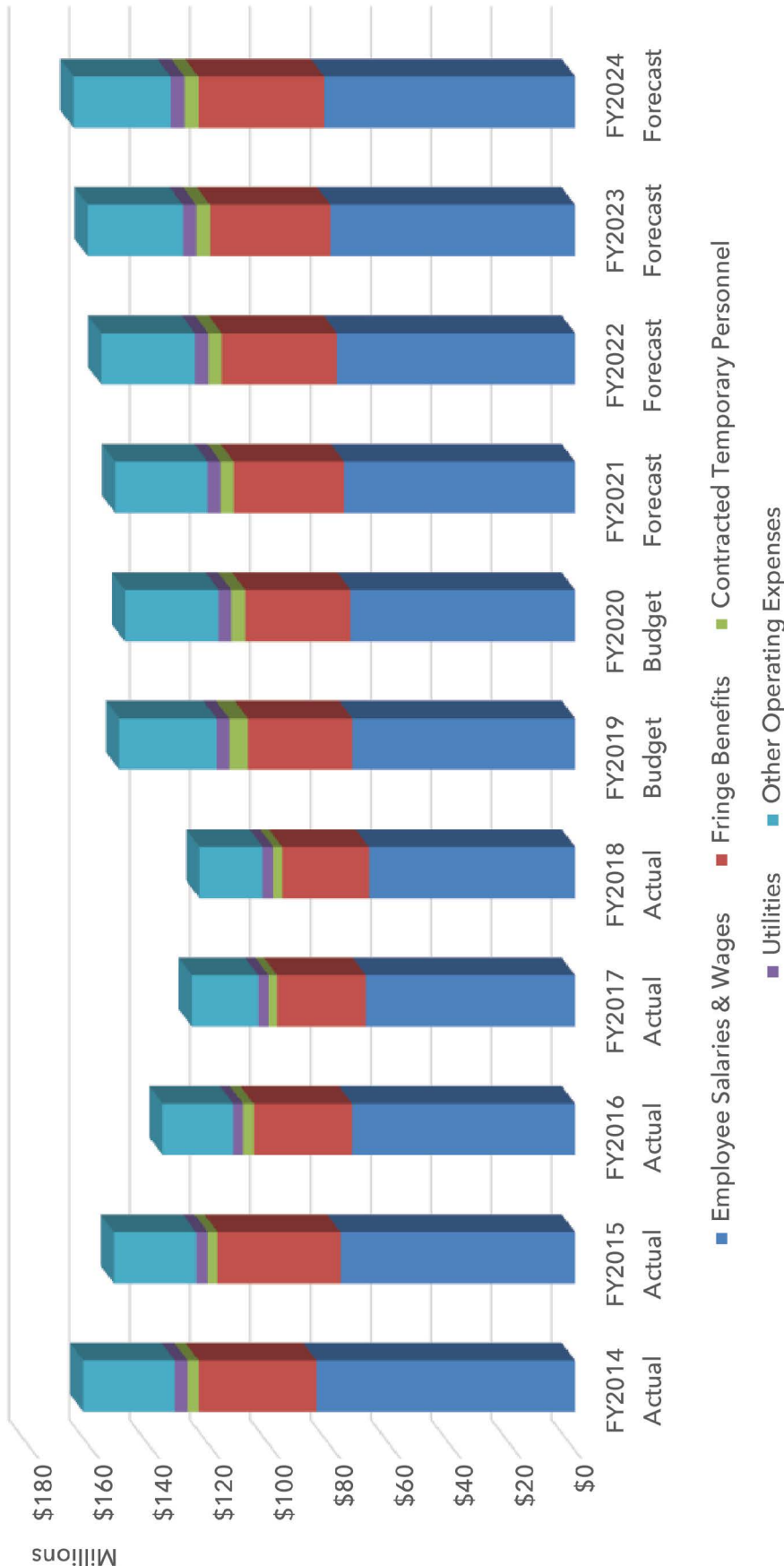
Operating Fund

Operating Fund

Revenue Sources-Operating Fund
Five-Year History with Budget and Forecast



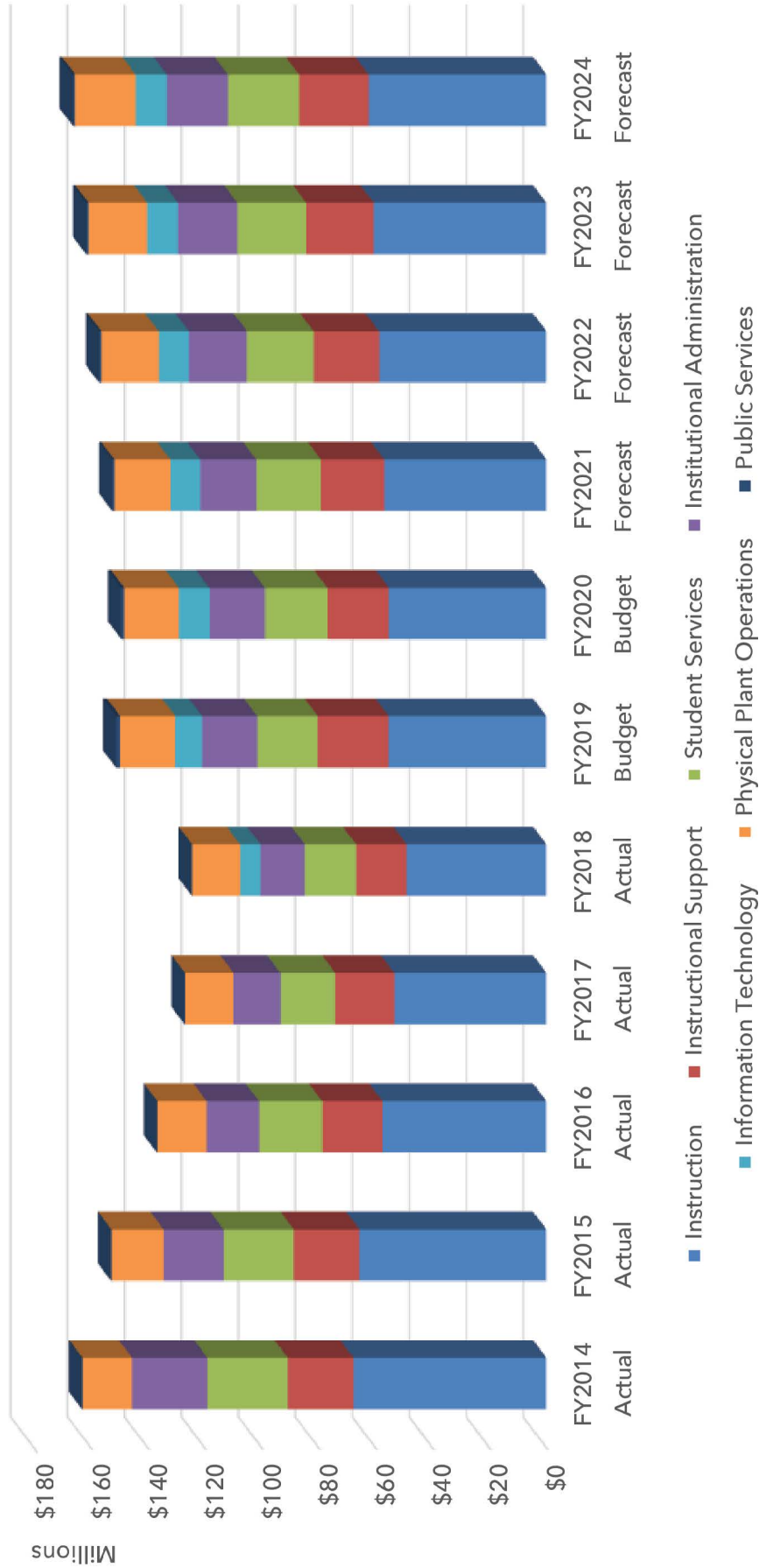
Expenses by **Object**-Operating Fund
Five-Year History with Budget and Forecast



Operating Fund

Operating Fund

Expenses by **Activity**-Operating Fund
Five-Year History with Budget and Forecast



Expenses are presented using Activities Classification Structure (ACS) categories. See Appendix A for the definition of ACS categories.

Operating Fund • Comparison of FY2020 to FY2019 Budget

	2019 Budget	2020 Budget	Increase (Decrease)	% Change 2019 - 2020
REVENUES:				
Property Taxes	\$87,338,949	\$88,890,000	\$1,551,051	1.78%
State Appropriations	23,905,700	24,093,000	187,300	0.78%
Tuition & Fees	45,239,512	41,054,361	(4,185,151)	-9.25%
Auxiliary Activities	7,563,523	5,602,825	(1,960,698)	-25.92%
Investment Income	4,031,600	4,900,000	868,400	21.54%
Miscellaneous Revenue	669,385	1,434,015	764,630	114.23%
Total Revenues	168,748,669	165,974,201	(2,774,468)	-1.64%
EXPENSES:				
Employee Salaries & Wages	73,817,149	74,385,355	568,206	0.77%
Fringe Benefits	34,642,565	34,968,520	325,955	0.94%
Contracted Temporary Personnel	6,230,039	4,563,660	(1,666,379)	-26.75%
Utilities	4,173,018	4,237,512	64,494	1.55%
Other Operating Expenses	32,234,256	31,101,902	(1,132,354)	-3.51%
Total Expenses	151,097,027	149,256,949	(1,840,078)	-1.22%
NET TRANSFERS:				
Restricted Fund	(630,000)	(600,000)	30,000	-4.76%
Plant Fund	(15,000,000)	(15,000,000)	-	0.00%
Total Net Transfers	(15,630,000)	(15,600,000)	30,000	-0.19%
Increase (Decrease) in Net Position	2,021,642	1,117,252	(904,390)	-44.74%
Net Position - Beginning of year	74,367,532	76,389,174		
Net Position - End of year	\$76,389,174	\$77,506,426		





General Fund Detail

The General Fund provides the revenue that covers the College's core instruction, instructional support, student services, information technology, general administrative costs and physical plant operations. Over 94% of the revenue budgeted for FY2020 is recorded in the General Fund. The major sources of revenue in the General Fund are derived from property taxes, state appropriations, and tuition and fees, which together are projected to account for over 96% of the total General Fund revenue in FY2020.

Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget
REVENUES:						
Property Taxes	\$75,763,312	\$77,283,938	\$79,964,028	\$80,835,826	\$82,889,739	\$87,338,949
State Appropriations	24,111,778	27,140,582	21,645,361	23,847,244	24,715,817	23,905,700
Tuition & Fees	52,819,596	49,753,491	45,333,572	43,928,401	41,405,825	40,237,268
Investment Income	2,803,019	3,041,597	2,388,203	2,932,026	4,268,138	4,031,600
Miscellaneous Revenue	203,776	189,681	191,198	240,568	329,186	193,500
Unrealized Gain/(Loss) on Investments	1,088,338	4,483,069	2,437,173	(3,023,649)	(3,768,646)	-
Total Revenues	156,789,819	161,892,358	151,959,535	148,760,416	149,840,059	155,707,017
EXPENSES:						
Employee Salaries & Wages	82,479,206	74,889,448	70,986,480	66,545,976	65,480,927	70,503,769
Fringe Benefits	37,615,464	39,419,284	31,375,072	28,259,815	27,641,573	32,931,748
Contracted Temporary Personnel	2,177,209	1,981,512	2,436,724	2,258,735	2,027,955	3,071,986
Utilities	4,223,575	3,860,879	3,290,254	3,447,685	3,528,472	4,173,018
Other Operating Expenses	19,605,905	18,122,055	15,842,775	15,919,604	15,465,136	25,002,553
Overhead Allocation	(2,278,360)	-	-	-	-	-
Total Expenses	143,822,999	138,273,178	123,931,305	116,431,815	114,144,063	135,683,074
NET TRANSFERS:						
Auxiliary Fund	-	(2,813,567)	-	-	-	-
Designated Fund	(28,481)	(34,837,679)	(1,233,966)	(1,248,245)	(1,472,219)	(2,385,626)
Restricted Fund	(505,757)	(595,085)	(707,822)	(497,084)	(439,125)	(630,000)
Plant Fund	(12,170,000)	-	(20,000,000)	(30,000,000)	(30,000,000)	(15,000,000)
Total Net Transfers	(12,704,238)	(38,246,331)	(21,941,788)	(31,745,329)	(31,911,344)	(18,015,626)
Increase (Decrease) in Net Position	262,582	(14,627,151)	6,086,442	583,272	3,784,652	2,008,317
Net Position - Beginning of year	41,102,102	41,364,684	26,737,533	32,823,975	33,407,247	37,191,899
Net Position - End of year	\$41,364,684	\$26,737,533	\$32,823,975	\$33,407,247	\$37,191,899	\$39,200,216

Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

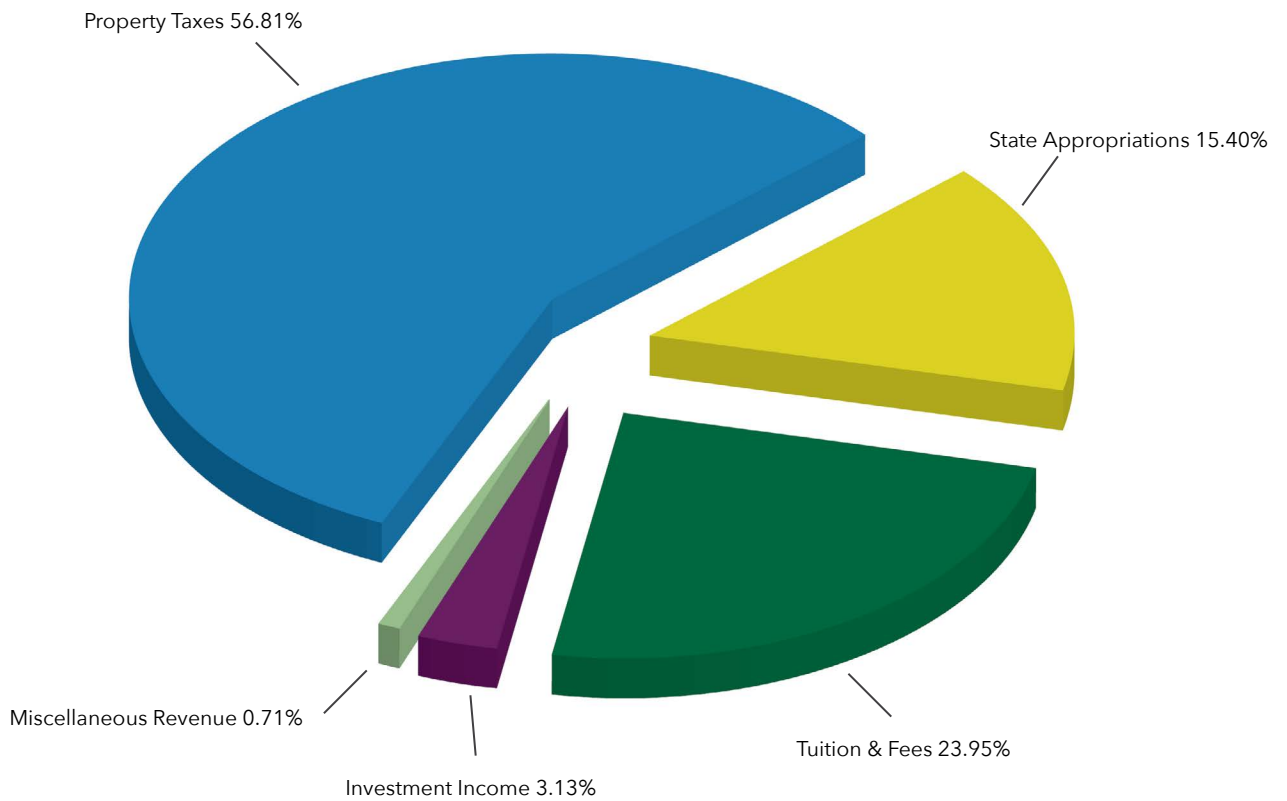
2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
\$88,890,000	\$91,460,000	\$94,060,000	\$96,690,000	\$99,350,000
24,093,000	24,093,000	24,093,000	24,093,000	24,093,000
37,473,367	36,977,965	37,223,194	38,229,568	42,472,151
4,900,000	4,700,000	4,600,000	4,400,000	4,200,000
1,104,840	1,125,840	1,140,970	1,170,749	1,190,746
-	-	-	-	-
156,461,207	158,356,805	161,117,164	164,583,317	171,305,897
71,240,210	73,322,157	75,535,267	77,670,402	79,655,277
33,435,520	34,972,865	36,588,946	38,217,013	39,918,399
2,843,844	2,903,593	2,964,599	3,026,454	3,091,776
4,237,512	4,304,790	4,375,092	4,462,594	4,551,846
25,206,127	24,751,809	25,104,956	25,412,143	25,899,132
-	-	-	-	-
136,963,213	140,255,214	144,568,860	148,788,606	153,116,430
-	-	-	-	-
(2,719,078)	(2,898,461)	(3,002,356)	(3,094,195)	(3,212,583)
(600,000)	(600,000)	(600,000)	(600,000)	(610,000)
(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)
(18,319,078)	(18,498,461)	(18,602,356)	(18,694,195)	(18,822,583)
1,178,916	(396,870)	(2,054,052)	(2,899,484)	(633,116)
39,200,216	40,379,132	39,982,262	37,928,210	35,028,726
\$40,379,132	\$39,982,262	\$37,928,210	\$35,028,726	\$34,395,610

General Fund Detail

General Fund Budget • Revenues • Fiscal Year 2020

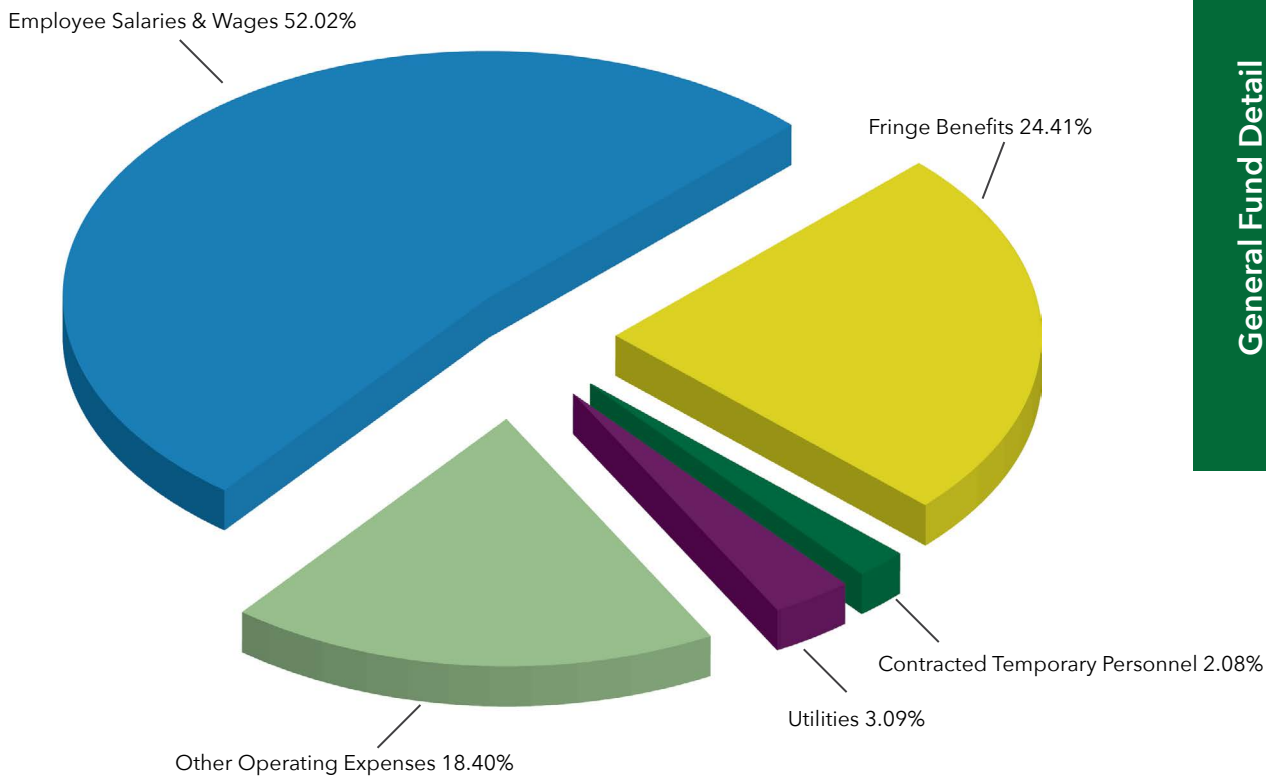
Category	Revenue	Percent
Property Taxes	\$88,890,000	56.81%
State Appropriations	24,093,000	15.40%
Tuition & Fees	37,473,367	23.95%
Investment Income	4,900,000	3.13%
Miscellaneous Revenue	1,104,840	0.71%
Total Revenues	\$156,461,207	100.00%

General Fund Detail



General Fund Budget • Expenses by **Object** • Fiscal Year 2020

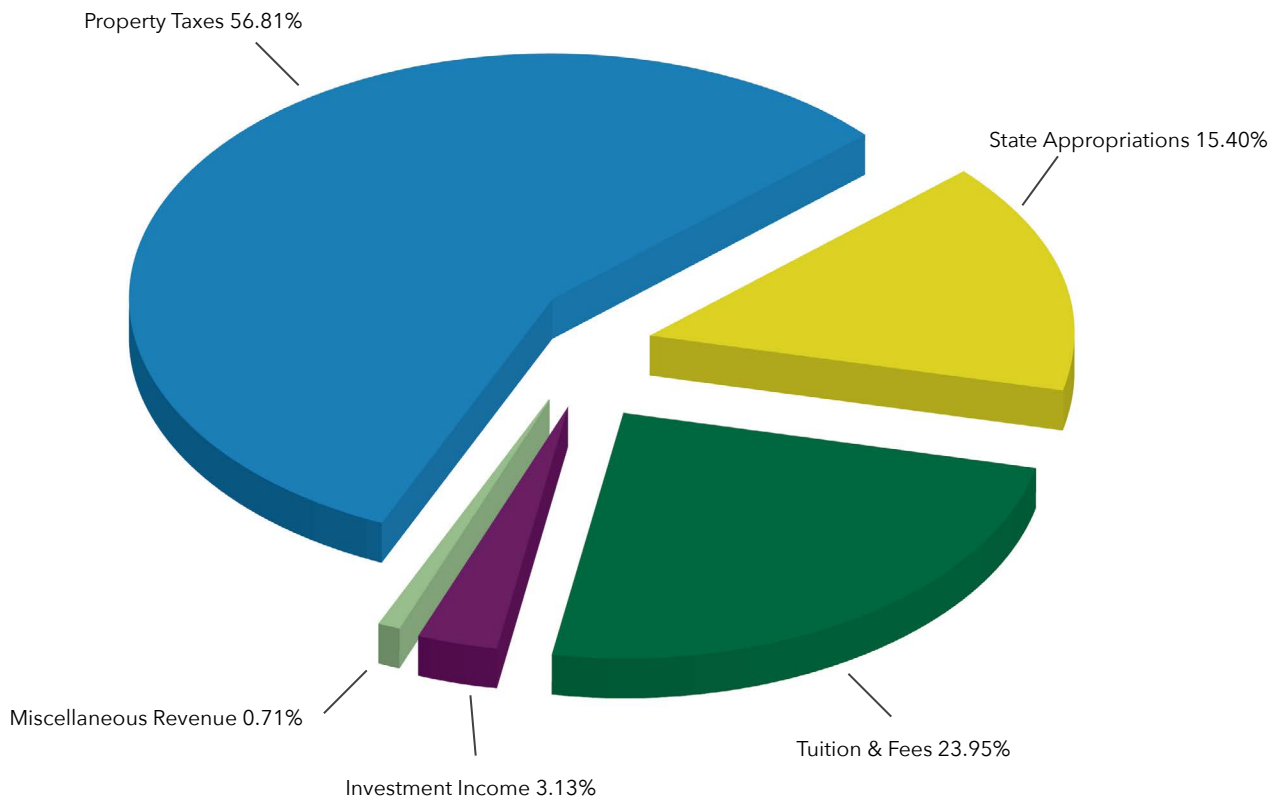
Category	Expenses	Percent
Employee Salaries & Wages	\$71,240,210	52.02%
Fringe Benefits	33,435,520	24.41%
Contracted Temporary Personnel	2,843,844	2.08%
Utilities	4,237,512	3.09%
Other Operating Expenses	25,206,127	18.40%
Total Expenses	\$136,963,213	100.00%



General Fund Detail

General Fund Budget • Revenues • Fiscal Year 2020

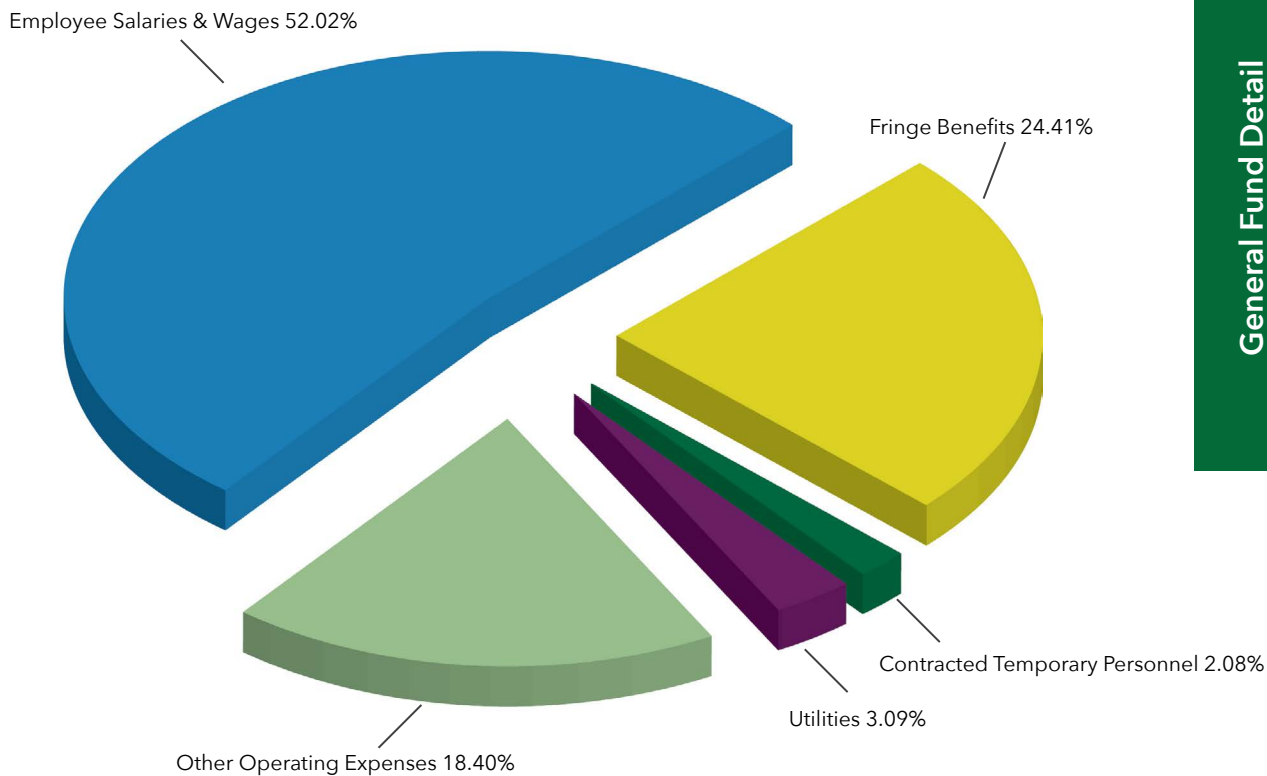
Category	Revenue	Percent
Property Taxes	\$88,890,000	56.81%
State Appropriations	24,093,000	15.40%
Tuition & Fees	37,473,367	23.95%
Investment Income	4,900,000	3.13%
Miscellaneous Revenue	1,104,840	0.71%
Total Revenues	\$156,461,207	100.00%



General Fund Detail

General Fund Budget • Expenses by **Object** • Fiscal Year 2020

Category	Expenses	Percent
Employee Salaries & Wages	\$71,240,210	52.02%
Fringe Benefits	33,435,520	24.41%
Contracted Temporary Personnel	2,843,844	2.08%
Utilities	4,237,512	3.09%
Other Operating Expenses	25,206,127	18.40%
Total Expenses	\$136,963,213	100.00%



General Fund Detail

Budgeted General Fund Expenses by Organization/Department Fiscal Year 2020

Department Code	Department Description	Salaries	Fringe Benefits	All Other Operating	Total
111001	Art	\$759,460	\$361,172	\$86,439	\$1,207,071
111002	Music	166,854	78,362	13,373	258,589
111003	Humanities	336,384	137,412	9,226	483,022
111004	Theater/Film	340,071	143,701	23,225	506,997
111005	Foundations - Humanities	20,523	7,148	50	27,721
111006	Philosophy	573,762	229,361	5,891	809,014
111010	Global Studies	3,100	1,080	-	4,180
112001	Arabic	8,855	3,085	178	12,118
112002	English	3,976,621	1,670,528	52,658	5,699,807
112003	French	154,297	62,220	1,636	218,153
112004	German	15,000	5,225	1,000	21,225
112006	Japanese	27,028	9,414	1,000	37,442
112008	Spanish	407,653	167,393	9,691	584,737
112009	Communications	493,764	229,541	7,564	730,869
112012	Sign Language	352,557	149,795	49,667	552,019
112013	ESL	1,300,349	521,741	26,965	1,849,055
112019	ESL Phone Pass	-	-	26,760	26,760
113001	Economics	568,613	242,471	11,027	822,111
113002	Geography	45,100	15,709	1,200	62,009
113003	Political Science	625,492	309,762	4,150	939,404
113004	Psychology	1,025,413	433,475	16,480	1,475,368
113006	Sociology	700,705	334,575	3,500	1,038,780
113007	History	830,116	386,929	5,706	1,222,751
113008	Anthropology	134,252	55,013	3,365	192,630
114001	Mathematics	4,041,931	1,781,633	74,213	5,897,777
115001	Biology	2,227,653	974,958	218,996	3,421,607
115002	Chemistry	965,899	421,142	131,893	1,518,934
115004	Physics	556,207	229,938	44,353	830,498
115005	Life Science	2,500	870	21,090	24,460
115006	General Science	362,787	132,377	39,395	534,559
115007	Foundations - Natural Life/Science	20,016	6,972	2,200	29,188
116001	Physical Education	475,379	210,207	31,716	717,302
117001	Health	91,967	32,033	7,200	131,200
121001	Accounting	651,369	256,139	16,700	924,208
121003	Marketing	75,882	26,430	4,060	106,372

General Fund Detail

Budgeted General Fund Expenses by
Organization/Department Fiscal Year 2020

Department Code	Department Description	Salaries	Fringe Benefits	All Other Operating	Total
121004	Business Administration	856,357	394,981	8,458	1,259,796
122001	Computer Information Systems	1,950,048	814,366	56,400	2,820,814
123002	Paralegal	270,871	130,337	7,600	408,808
124001	Library Technology	83,210	48,291	1,953	133,454
124002	Law Enforcement	391,771	173,398	8,464	573,633
124003	Fire Fighter Technology	61,296	31,441	575	93,312
124004	Early Childhood Development	148,727	71,965	1,408	222,100
124005	Mental Health	127,803	52,850	1,500	182,153
124015	Homeland Security	57,696	30,186	425	88,307
125003	Photography	492,307	218,218	49,416	759,941
125005	Graphic Design	131,227	64,959	8,000	204,186
126001	Food Service/Hospitality	959,040	476,053	108,106	1,543,199
126002	Interior Design	128,703	65,076	5,325	199,104
132002	Architectural Technology	108,303	46,058	264	154,625
132003	Drafting	13,248	4,614	540	18,402
132004	Computer Aided Design	311,529	131,141	41,671	484,341
132011	Material Science	6,624	2,307	930	9,861
132014	Mechatronics	18,900	6,583	2,200	27,683
133004	Automotive Service	291,730	152,317	46,990	491,037
133007	Machine Tool Technology	147,098	71,061	22,380	240,539
133008	Robotics Technology	200,965	105,696	42,600	349,261
133009	Welding & Fabricating Technology	211,766	109,983	80,108	401,857
133011	Industrial Sciences	10,500	3,657	-	14,157
133012	Environmental Systems Technology	210,773	97,504	16,800	325,077
133020	Collision Auto Repair	228,973	119,851	41,903	390,727
133021	Diesel Truck Technology	18,157	6,325	2,100	26,582
134003	Construction Management	20,000	6,966	350	27,316
135002	Electrical Trades Technology	3,890	1,540	1,400	6,830
135003	Electronics Technology	99,588	54,812	2,400	156,800
137001	Apprentice Technical	32,000	11,146	500	43,646
141001	Nursing Instruction	2,629,044	1,063,013	129,593	3,821,650
142001	Dental Hygiene	531,286	212,141	39,064	782,491
142002	Dental Hygiene Clinic	65,623	38,400	29,469	133,492
143002	Diagnostic Medical Sonography	132,767	67,170	22,950	222,887
143003	Radiologic Technology	207,791	101,755	20,520	330,066

Budgeted General Fund Expenses by Organization/Department Fiscal Year 2020

Department Code	Department Description	Salaries	Fringe Benefits	All Other Operating	Total
144001	Respiratory Therapy	183,901	81,599	22,584	288,084
145002	Medical Assisting	278,766	125,487	13,259	417,512
145003	Emergency Medical Technology	381,575	188,905	33,347	603,827
145005	Health Care Admin	33,000	11,494	350	44,844
145010	Surgical Technology	120,920	57,885	21,505	200,310
146001	Health Related Biology	324,065	151,062	34,901	510,028
146003	Microbiology	137,978	72,119	9,422	219,519
152002	ASC	115,828	40,344	10,513	166,685
153001	Counseling Instruction	69,136	24,081	11,278	104,495
320006	Facility Rentals	69,887	44,353	31,250	145,490
410001	Library Systems	375,073	165,096	436,861	977,030
410002	Library	1,681,759	783,790	401,872	2,867,421
410003	Electronic Resource Center	266,279	106,074	30,000	402,353
430004	Media Services	166,045	101,216	15,993	283,254
440001	Behavioral Science Department	82,684	37,917	9,280	129,881
440004	English Department	63,722	29,872	15,787	109,381
440005	Arts Department	24,197	13,527	4,544	42,268
440006	Mathematics Department	86,058	43,303	8,452	137,813
440008	Science Department	141,595	76,076	16,525	234,196
440009	Humanities Department	106,160	60,467	4,746	171,373
440011	CIS/BIS Department	39,709	13,771	1,649	55,129
440012	Business Department	115,260	63,790	7,260	186,310
440013	Allied Health Department	171,946	76,112	55,590	303,648
440014	Nursing Department	89,737	46,632	24,310	160,679
440015	Technology Department	45,515	15,767	2,094	63,376
440016	Faculty Support Services	153,923	78,525	5,770	238,218
440018	Academic Senate	60,000	20,898	7,150	88,048
440021	Higher Learning Commission	-	-	63,200	63,200
440023	Academic Support Center	2,444,773	1,026,737	42,180	3,513,690
440025	A.C.C.E.S.S.	782,181	337,144	287,597	1,406,922
440028	Vice Chancellor for Academic Affairs	666,144	221,115	162,100	1,049,359
440030	Dean of Public Service	218,476	106,737	6,095	331,308
440031	Dean of Engineering, Manufacturing & Industrial Technologies	406,270	187,876	12,179	606,325
440032	Dean of Nursing	412,369	177,609	11,428	601,406

General Fund Detail

Budgeted General Fund Expenses by Organization/Department Fiscal Year 2020

Department Code	Department Description	Salaries	Fringe Benefits	All Other Operating	Total
440035	Dean of Business and Information Technology	189,180	94,397	3,220	286,797
440036	Dean of Mathematics/Natural & Life Sciences	259,969	150,008	11,030	421,007
440136	Culinary Department	47,467	31,946	3,838	83,251
440145	Galileo Leaders	20,000	6,966	2,000	28,966
440146	Technology Stations	-	-	450,000	450,000
440150	Dean of College Readiness	269,502	138,072	12,700	420,274
440151	Dean of English, Literature and Communication	425,660	179,935	8,500	614,095
440152	Dean of Social Sciences and Human Services	186,100	73,726	6,799	266,625
440153	Dean of Learning Resources	308,377	132,298	5,710	446,385
440157	Dean of Distance Education	309,229	149,221	892,525	1,350,975
440159	Associate Vice Chancellor for Adv. Mfg., Bus & CIS, & WFD	75,735	36,093	8,525	120,353
440160	Associate Vice Chancellor for Arts & Sciences	246,724	78,966	11,940	337,630
440161	Global Education	-	-	158,200	158,200
510002	Vice Chancellor for Student Services	222,513	83,402	21,700	327,615
510003	Dean of Student Services	1,981,627	1,051,057	44,416	3,077,100
510004	Secondary Partnerships	73,172	45,537	6,400	125,109
520002	Physical Education Facility	97,974	41,995	2,359	142,328
520005	Phi Theta Kappa	-	-	12,400	12,400
520012	Smith Theater	4,000	1,393	6,600	11,993
520013	Johnson Theater	4,000	1,393	6,600	11,993
520026	OCC Bands	5,400	1,881	1,000	8,281
520075	Student Life	350	122	42,717	43,189
530001	Counseling Services	3,454,733	1,477,681	46,178	4,978,592
530002	Placement Testing	-	-	214,100	214,100
530608	Student Ambassador	-	-	38,900	38,900
530613	Student Recruiter Program	-	-	10,000	10,000
540001	Career Services	204,691	119,486	8,054	332,231
540002	Financial Aid Director	270,309	68,803	474,680	813,792
540003	Financial Aid Office	1,057,720	519,729	1,229,600	2,807,049
540004	Veterans Affairs	162,848	104,581	12,480	279,909
540198	MAN UP	-	-	20,295	20,295
540302	Pontiac Promise Grant/Scholarships	-	-	15,000	15,000

General Fund Detail

Budgeted General Fund Expenses by Organization/Department Fiscal Year 2020

Department Code	Department Description	Salaries	Fringe Benefits	All Other Operating	Total
560001	Athletic Director	151,683	80,705	112,464	344,852
560002	Cross Country	10,900	3,796	17,955	32,651
560004	Women's Softball	15,142	5,274	89,800	110,216
560005	Women's Basketball	13,642	4,751	49,945	68,338
560006	Women's Volleyball	14,038	4,889	35,105	54,032
560007	Men's Golf	8,487	2,956	23,705	35,148
560008	Men's Basketball	15,496	5,398	47,785	68,679
570001	Orientation	-	-	28,185	28,185
570002	Enrollment Services	649,663	358,049	74,565	1,082,277
570003	Commencement	-	-	94,986	94,986
570004	Admissions	287,861	135,910	254,902	678,673
570005	College Transfer Center	-	-	6,850	6,850
570011	International Student Advisors	224,612	100,999	49,035	374,646
610001	Board of Trustees	-	-	84,771	84,771
610003	Chancellor's Office	380,429	151,921	76,356	608,706
620000	Other Institutional/Staff Turnover	(1,484,288)	(366,620)	5,761,056	3,910,148
620001	Vice Chancellor for Marketing & Communications	149,940	47,765	6,040	203,745
620002	Graphic Services	169,467	106,904	2,250	278,621
620005	Diversity Committee	-	-	15,025	15,025
620008	Computer Replacement Program	-	-	600,000	600,000
620010	Vice Chancellor for Administrative Services	233,008	114,819	17,895	365,722
620012	Financial Services	949,984	485,686	113,337	1,549,007
620013	Budget & Financial Planning	123,786	59,105	68,045	250,936
620014	Purchasing	396,717	236,093	9,850	642,660
620015	Duplicating Costs	-	-	67,023	67,023
620017	Campus Business Office	741,200	327,757	10,122	1,079,079
620018	Chief Information Officer	405,161	131,044	6,509	542,714
620021	Human Resources	1,303,576	563,084	286,982	2,153,642
620022	Environmental Health & Safety	100,985	50,277	80,800	232,062
620024	Staff Development Activities	-	-	150,000	150,000
620025	Shipping/Receiving/Mailroom	288,119	160,355	187,745	636,219
620028	Duplicating Services	99,255	62,417	205,250	366,922
620029	Title IX	-	-	88,800	88,800
620032	Campus Print Management	-	-	405,000	405,000

General Fund Detail

Budgeted General Fund Expenses by Organization/Department Fiscal Year 2020

Department Code	Department Description	Salaries	Fringe Benefits	All Other Operating	Total
620034	Tuition Reimbursement - Faculty	-	60,000	-	60,000
620035	Tuition Reimbursement - Exempt Admin/Mgt	-	15,000	-	15,000
620036	Tuition Reimbursement - Admin/Mgt	-	35,000	-	35,000
620037	Tuition Reimbursement - Classified	-	30,000	-	30,000
620038	Tuition Reimbursement - Public Safety	-	12,000	-	12,000
620039	Tuition Reimbursement - Maintenance	-	7,500	-	7,500
620040	Tuition Reimbursement - Operating Engineers	-	8,000	-	8,000
620044	Ellucian Conference	-	-	34,000	34,000
620064	Institutional Effectiveness	1,146,781	598,348	300,450	2,045,579
620071	Team Activities	-	-	10,000	10,000
620073	ID Card Program/iROC Cash	31,578	17,658	13,300	62,536
620076	Tuition Reimbursement - Admin/Mgt PT	-	18,000	-	18,000
620080	Planning, Quality, & Accreditation	116,679	60,935	37,050	214,664
620081	Vice Chancellor for Legal Affairs	344,585	151,400	12,500	508,485
620102	ADA Compliance	-	-	38,380	38,380
620104	HRD Candidate Travel	-	-	6,000	6,000
620105	Switchboard	99,100	50,565	1,680	151,345
620108	Information Technology	1,842,622	837,628	6,840,961	9,521,211
620113	New Non-Cap Computers	-	-	25,000	25,000
620523	OCCARP	-	-	1,550	1,550
630001	Marketing College-wide	624,115	281,456	1,285,710	2,191,281
630004	Foundation	290,810	110,480	44,900	446,190
630015	Government & Community Relations	159,651	30,287	143,500	333,438
710001	Director Physical Facilities	171,471	68,739	32,000	272,210
710003	Executive Director of Facilities Operations	153,651	72,827	2,900	229,378
720001	Grounds Maintenance	623,508	388,693	465,725	1,477,926
720002	Mechanical Maintenance	1,935,787	1,154,306	1,075,380	4,165,473
730001	Custodial Services	2,450,368	1,577,427	324,056	4,351,851
730002	Facilities Manager	278,861	139,602	297,960	716,423
740001	Utilities	-	-	4,237,510	4,237,510
740002	Energy Management	39,894	23,938	331	64,163
750001	Public Safety	1,992,505	1,062,357	564,036	3,618,898
Grand Total		\$71,240,210	\$33,435,520	\$32,287,483	\$136,963,213

General Fund Detail





Auxiliary Fund Detail

The Auxiliary Fund accounts for activities of the College's campus bookstores. The bookstores provide new, used and rental textbooks, required and recommended supplementary course materials, clothing, food, ancillary student needs and basic supplies in support of the institution's academic programs.

Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget
REVENUES:						
Auxiliary Activities	\$12,910,653	\$11,085,717	\$9,013,538	\$7,374,095	\$6,229,489	\$7,563,523
Miscellaneous Revenue	89,717	52,963	75,308	67,667	62,091	87,310
Total Revenues	13,000,370	11,138,680	9,088,846	7,441,762	6,291,580	7,650,833
EXPENSES:						
Employee Salaries & Wages	1,424,608	1,363,214	1,297,816	1,100,477	1,084,728	1,128,571
Fringe Benefits	745,490	711,959	707,648	566,946	536,045	601,181
Contracted Temporary Personnel	146,820	104,535	38,699	45,138	38,021	106,039
Other Operating Expenses	9,801,599	8,110,259	6,813,677	5,347,111	4,659,993	5,801,849
Overhead Allocation	1,361,169	-	-	-	-	-
Total Expenses	13,479,686	10,289,967	8,857,840	7,059,672	6,318,787	7,637,640
NET TRANSFERS:						
General Fund	-	2,813,567	-	-	-	-
Total Net Transfers	-	2,813,567	-	-	-	-
Increase (Decrease) in Net Position	(479,316)	3,662,280	231,006	382,090	(27,207)	13,193
Net Position - Beginning of year	3,468,174	2,988,858	6,651,138	6,882,144	7,264,234	7,237,027
Net Position - End of year	\$2,988,858	\$6,651,138	\$6,882,144	\$7,264,234	\$7,237,027	\$7,250,220

Auxiliary Fund Detail

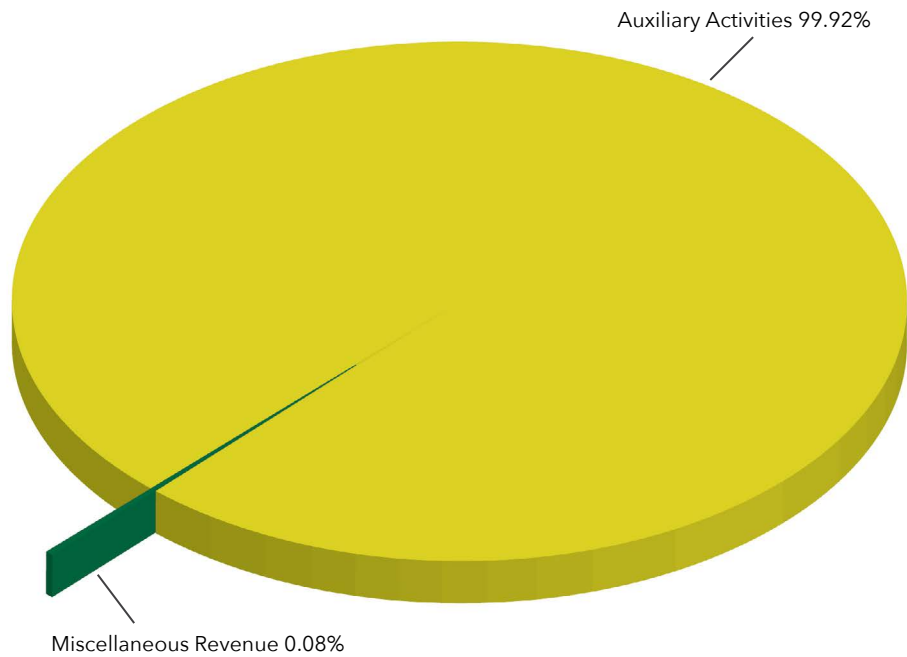
Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
\$5,602,825	\$5,743,836	\$5,929,391	\$6,104,239	\$6,284,332
4,400	4,400	4,400	4,400	4,400
5,607,225	5,748,236	5,933,791	6,108,639	6,288,732
904,475	939,274	959,689	980,568	1,001,886
448,014	466,084	484,739	504,029	523,968
53,500	58,170	60,863	62,081	63,322
4,262,900	4,346,130	4,465,387	4,588,086	4,715,968
-	-	-	-	-
5,668,889	5,809,658	5,970,678	6,134,764	6,305,144
-	-	-	-	-
-	-	-	-	-
(61,664)	(61,422)	(36,887)	(26,125)	(16,412)
7,250,220	7,188,556	7,127,134	7,090,247	7,064,122
\$7,188,556	\$7,127,134	\$7,090,247	\$7,064,122	\$7,047,710

Auxiliary Fund Detail

Auxiliary Fund Budget • Revenues • Fiscal Year 2020

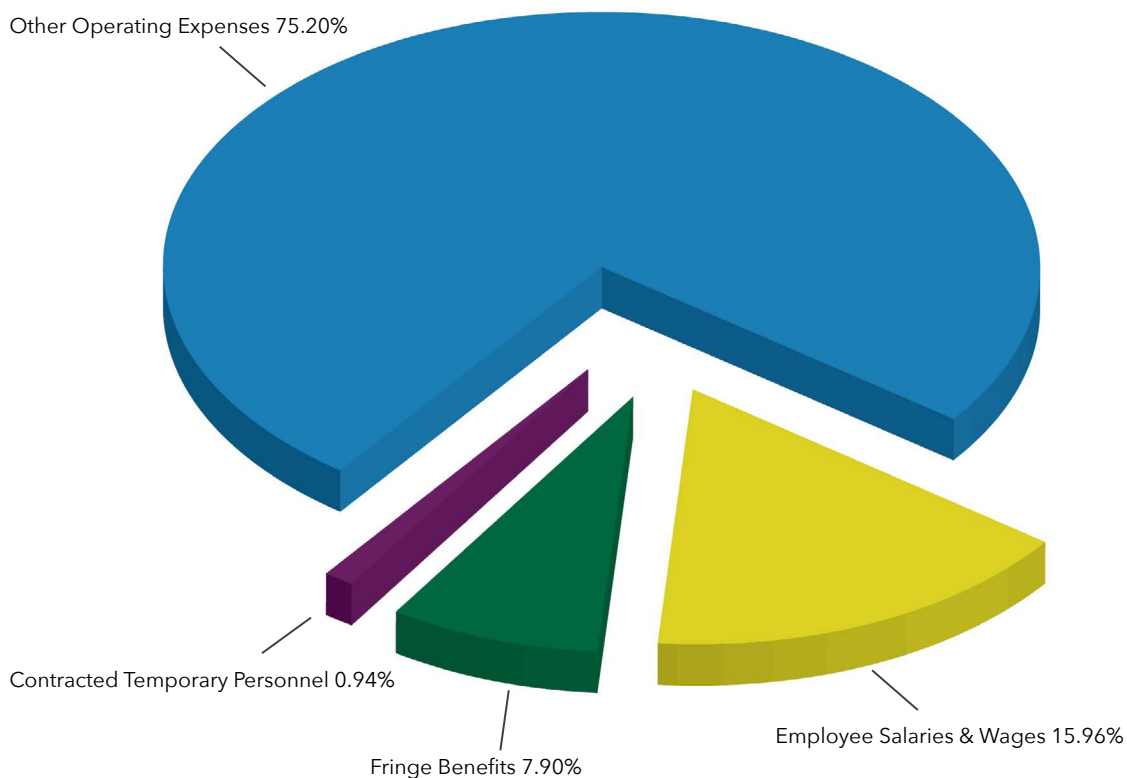
Category	Revenue	Percent
Auxiliary Activities	\$5,602,825	99.92%
Miscellaneous Revenue	4,400	0.08%
Total Revenues	\$5,607,225	100.00%



Auxiliary Fund Detail

Auxiliary Fund Budget • Expenses by **Object** • Fiscal Year 2020

Category	Expenses	Percent
Employee Salaries & Wages	\$904,475	15.96%
Fringe Benefits	448,014	7.90%
Contracted Temporary Personnel	53,500	0.94%
Other Operating Expenses	4,262,900	75.20%
Total Expenses	\$5,668,889	100.00%

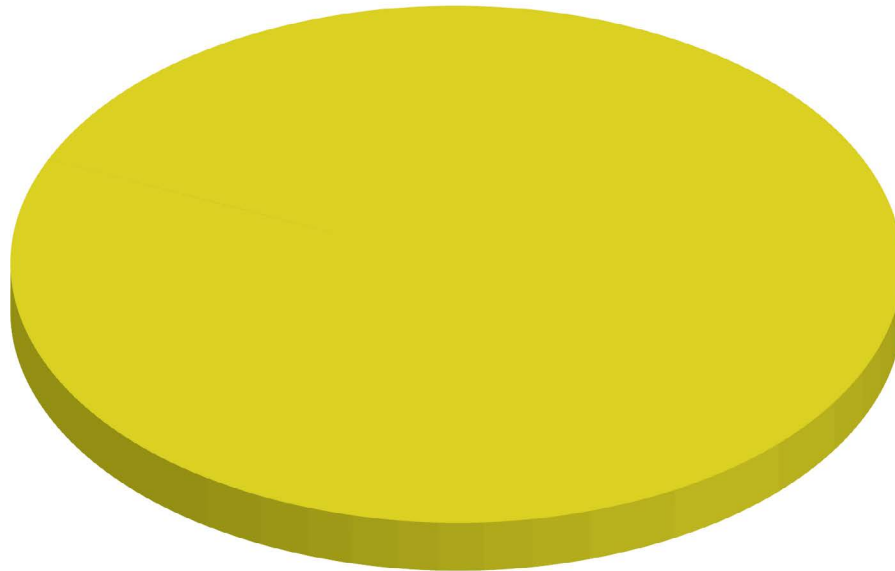


Auxiliary Fund Detail

Auxiliary Fund Budget • Expenses by **Activity** • Fiscal Year 2020

Category	Expenses	Percent
Student Services	\$5,668,889	100.00%
Total Expenses	\$5,668,889	100.00%

Student Services 100.00%



Auxiliary Fund Detail

Expenses are presented using Activities Classification Structure (ACS) categories. See Appendix A for the definition of ACS categories.

Auxiliary Fund Budget • Comparison of FY2020 to FY2019 Budget

	2019 Budget	2020 Budget	Increase (Decrease)	% Change 2019 - 2020
REVENUES:				
Auxiliary Activities	\$7,563,523	\$5,602,825	\$(1,960,698)	-25.92%
Miscellaneous Revenue	87,310	4,400	(82,910)	-94.96%
Total Revenues	7,650,833	5,607,225	(2,043,608)	-26.71%
EXPENSES:				
Employee Salaries & Wages	1,128,571	904,475	(224,096)	-19.86%
Fringe Benefits	601,181	448,014	(153,167)	-25.48%
Contracted Temporary Personnel	106,039	53,500	(52,539)	-49.55%
Other Operating Expenses	5,801,849	4,262,900	(1,538,949)	-26.53%
Total Expenses	7,637,640	5,668,889	(1,968,751)	-25.78%
Increase (Decrease) in Net Position	13,193	(61,664)	(74,857)	-567.40%
Net Position - Beginning of year	7,237,027	7,250,220		
Net Position - End of year	\$7,250,220	\$7,188,556		





Designated Fund Detail

The Designated Fund is used to account for activities that administration wants to consider separately from the General Fund. There are many activities recorded in this fund including Economic and Workforce Development, Police Services, Fire Services, Culinary Studies, and CREST (Combined Regional Emergency Services Training). Also included within this fund are other designated funds which record the annual operations of food services, short courses, and continuing education programs.

Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget
REVENUES:						
Tuition & Fees	\$2,438,187	\$2,434,869	\$2,509,011	\$1,990,402	\$2,362,475	\$5,002,244
Miscellaneous Revenue	528,992	723,619	466,174	500,050	469,853	388,575
Total Revenues	2,967,179	3,158,488	2,975,185	2,490,452	2,832,328	5,390,819
EXPENSES:						
Employee Salaries & Wages	1,830,397	1,545,699	1,573,234	1,635,192	1,747,192	2,184,809
Fringe Benefits	739,817	589,873	630,090	607,400	609,599	1,109,636
Contracted Temporary Personnel	1,346,996	1,145,208	998,781	550,360	850,819	3,052,014
Other Operating Expenses	923,198	1,031,380	753,695	742,327	822,767	1,429,854
Overhead Allocation	917,191	-	-	-	-	-
Total Expenses	5,757,599	4,312,160	3,955,800	3,535,279	4,030,377	7,776,313
NET TRANSFERS:						
General Fund	28,481	34,837,679	1,233,966	1,248,244	1,472,219	2,385,626
Restricted Fund	55,200	6,611	-	-	-	-
Total Net Transfers	83,681	34,844,290	1,233,966	1,248,244	1,472,219	2,385,626
Increase (Decrease) in Net Position	(2,706,739)	33,690,618	253,351	203,417	274,170	132
Net Position - Beginning of year	(1,776,211)	(4,482,950)	29,207,668	29,461,019	29,664,436	29,938,606
Net Position - End of year	\$(4,482,950)	\$29,207,668	\$29,461,019	\$29,664,436	\$29,938,606	\$29,938,738

Designated Fund Detail

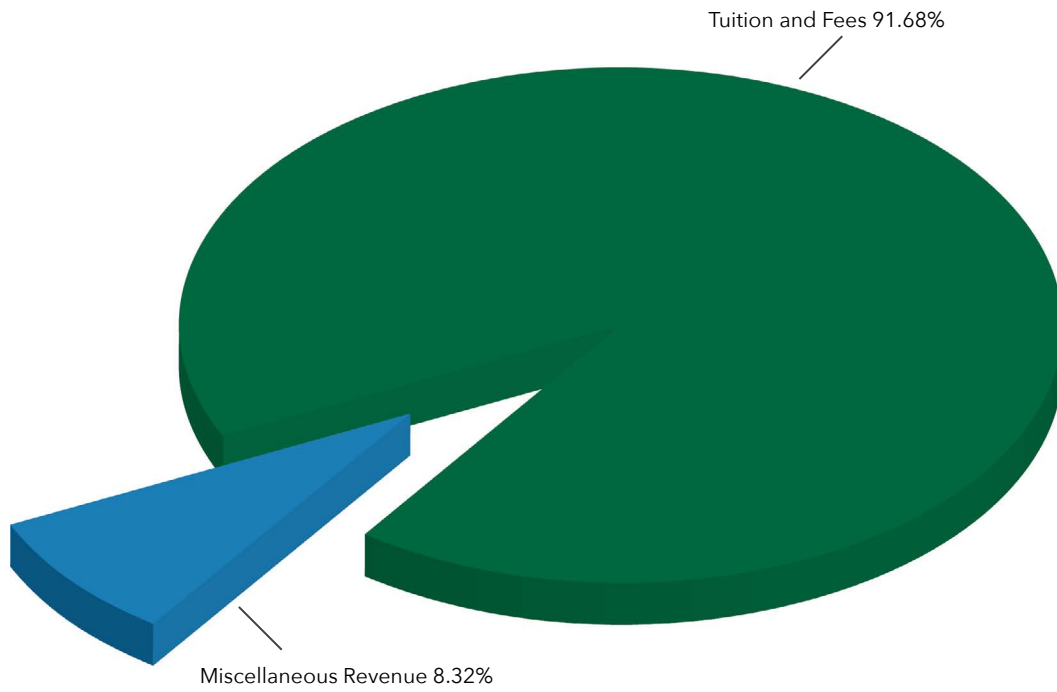
Five-Year History with Budget and Forecast
Revenues and Expenses by **Object** • FY2014-2024

2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
\$3,580,994	\$3,156,865	\$3,180,064	\$3,201,172	\$3,254,123
324,775	333,142	342,138	357,765	368,403
3,905,769	3,490,007	3,522,202	3,558,937	3,622,526
2,240,670	2,298,198	2,360,225	2,431,837	2,521,316
1,084,986	1,133,005	1,183,471	1,238,736	1,302,298
1,666,316	1,387,297	1,416,425	1,442,982	1,464,942
1,632,875	1,569,968	1,564,437	1,539,577	1,546,553
-	-	-	-	-
6,624,847	6,388,468	6,524,558	6,653,132	6,835,109
2,719,078	2,898,461	3,002,356	3,094,195	3,212,583
-	-	-	-	-
2,719,078	2,898,461	3,002,356	3,094,195	3,212,583
-	-	-	-	-
29,938,738	29,938,738	29,938,738	29,938,738	29,938,738
\$29,938,738	\$29,938,738	\$29,938,738	\$29,938,738	\$29,938,738

Designated Fund Detail

Designated Fund Budget • Revenues • Fiscal Year 2020

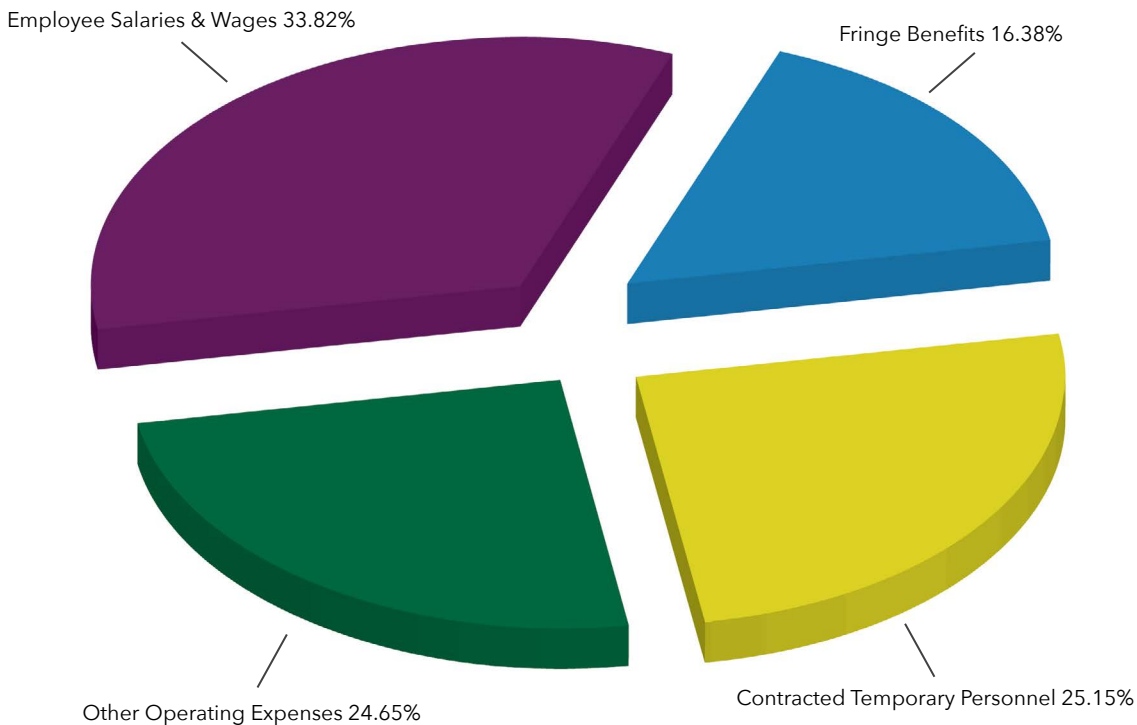
Category	Revenue	Percent
Tuition & Fees	\$3,580,994	91.68%
Miscellaneous Revenue	324,775	8.32%
Total Revenues	\$3,905,769	100.00%



Designated Fund Detail

Designated Fund Budget • Expenses by **Object** • Fiscal Year 2020

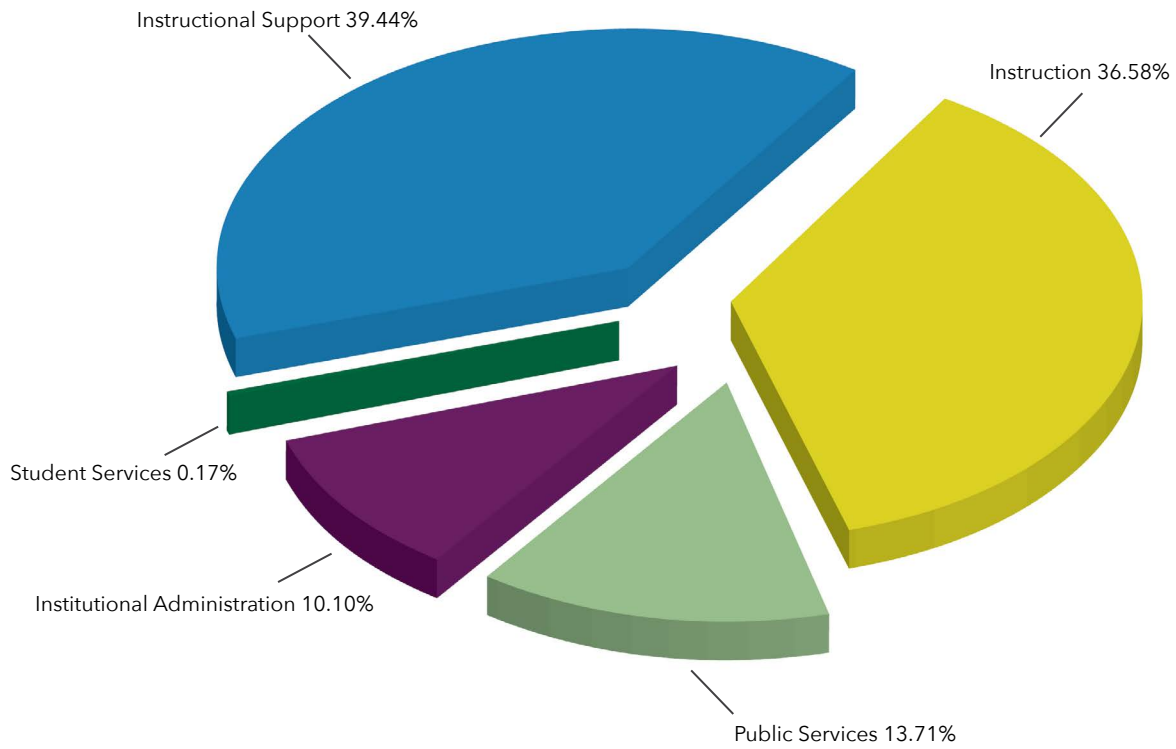
Category	Expenses	Percent
Employee Salaries & Wages	\$2,240,670	33.82%
Fringe Benefits	1,084,986	16.38%
Contracted Temporary Personnel	1,666,316	25.15%
Other Operating Expenses	1,632,875	24.65%
Total Expenses	\$6,624,847	100.00%



Designated Fund Detail

Designated Fund Budget • Expenses by **Activity** • Fiscal Year 2020

Category	Expenses	Percent
Instruction	\$2,423,369	36.58%
Instructional Support	2,612,857	39.44%
Student Services	11,152	0.17%
Institutional Administration	669,136	10.10%
Public Services	908,334	13.71%
Total Expenses	\$6,624,848	100.00%



Designated Fund Detail

Expenses are presented using Activities Classification Structure (ACS) categories. See Appendix A for the definition of ACS categories.

Designated Fund Budget • Comparison of FY2020 to FY2019 Budget

	2019 Budget	2020 Budget	Increase (Decrease)	% Change 2019 - 2020
REVENUES:				
Tuition & Fees	\$5,002,244	\$3,580,994	\$(1,421,250)	-28.41%
Miscellaneous Revenue	388,575	324,775	(63,800)	-16.42%
Total Revenues	5,390,819	3,905,769	(1,485,050)	-27.55%
EXPENSES:				
Employee Salaries & Wages	2,184,809	2,240,670	55,861	2.56%
Fringe Benefits	1,109,636	1,084,986	(24,650)	-2.22%
Contracted Temporary Personnel	3,052,014	1,666,316	(1,385,698)	-45.40%
Other Operating Expenses	1,429,854	1,632,875	203,021	14.20%
Total Expenses	7,776,313	6,624,847	(1,151,466)	-14.81%
NET TRANSFERS:				
General Fund	2,385,626	2,719,078	333,452	13.98%
Total Net Transfers	2,385,626	2,719,078	333,452	13.98%
Increase (Decrease) in Net Position	132	-	(132)	-100.00%
Net Position - Beginning of year	29,938,606	29,938,738		
Net Position - End of year	\$29,938,738	\$29,938,738		





Capital Budget

The Capital budget provides for the capital and debt service needs of the College, including principle and interest payments on the College's bonds, college-wide capital equipment pools, and information technology and physical facility projects. The forecasted expenditures in the Capital budget are based on input from the College community.

Capital Budget and Forecast • FY2020–2024

	2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
Capital Equipment Pools					
College-Wide	\$1,180,179	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Information Technology Projects	2,935,175	1,588,530	1,825,760	1,239,000	5,363,625
PHYSICAL FACILITY PROJECTS:					
Auburn Hills	38,198,141	150,000	30,150,000	150,000	30,150,000
College-Wide	5,900,000	5,000,000	5,000,000	5,000,000	5,000,000
District Office	100,000	100,000	100,000	100,000	100,000
Highland Lakes	725,102	150,000	150,000	150,000	150,000
Orchard Ridge	7,735,000	4,350,000	4,350,000	34,350,000	4,350,000
Royal Oak	11,497,175	30,150,000	150,000	150,000	150,000
Southfield	575,356	100,000	100,000	100,000	100,000
Total Physical Facility Projects	64,730,774	40,000,000	40,000,000	40,000,000	40,000,000
Total Capital	\$68,846,128	\$42,588,530	\$42,825,760	\$42,239,000	\$46,363,625

Capital Budget Detail • FY2020

Beginning Unrestricted Net Position	\$131,204,537
Transfers from the General Fund	15,000,000

Capital Equipment Pool

Campus	Description	2020
Various	Emergency Capital Equipment Pool	200,000
Various	Capital Equipment Pool	980,179
CAPITAL EQUIPMENT POOLS TOTAL		1,180,179

Information Technology Projects

Campus	Description	2020
CARRYOVER PROJECTS:		
College-Wide	Digital Contracts	62,550
ITG Data Center	RackNet	12,625
College-Wide	VDI	1,000,000
College-Wide	Wireless License	33,000
College-Wide	Business Intelligence Analytics Software	250,000
Carryover Projects Total		1,358,175
PROPOSED PROJECTS:		
College-Wide	Avamar Data Backup Expansion	300,000
College-Wide	Campus Servers Replacement	100,000
College-Wide	Colleague Server Replacement	150,000
College-Wide	Concerns Management Software	30,000
College-Wide	ITAG Pool	500,000
District Office	DO UPS Replacement	50,000
ITG Data Center	Disk Destroyer	7,000
ITG Data Center	External/Internal Firewall Replacement	440,000
INFORMATION TECHNOLOGY PROJECT TOTAL		2,935,175

Capital Budget Detail • FY2020

Physical Facilities Projects

Campus	Description	2020
CARRYOVER PROJECTS:		
Auburn Hills	Building Study, Bldg. A	283,950
Auburn Hills	HVAC Replacement, MTEC	2,194,191
Auburn Hills	Ceramic Study / Renovation, Bldg. E	300,000
Auburn Hills	C Building Renovation	35,000,000
Auburn Hills	Bookstore Renovation	50,000
Auburn Hills	B Building Reconfiguration	150,000
Auburn Hills	Hallway Floor Replacement J Building	70,000
Auburn Hills	Generator Replacement	150,000
College-Wide	Access Control	500,000
College-Wide	Parking Lot Fixture Upgrade	200,000
College-Wide	CCTV Enhancements	500,000
Highland Lakes	Erosion and Drainage Improvements	40,632
Highland Lakes	Variable Frequency Drive Replacement, Central Plant	75,000
Highland Lakes	Interior / Exterior Lighting Enhancements, Central Plant	65,669
Highland Lakes	Burner Assembly Replacement, Central Plant	129,000
Highland Lakes	Interior / Exterior Lighting Upgrades, Grounds Storage	30,884
Highland Lakes	Building Entry Accessibility Upgrades, High Oaks Hall	24,480
Highland Lakes	Plumbing Fixture Replacement, High Oaks Hall	5,634
Highland Lakes	Door Hardware Upgrades, High Oaks Hall	18,858
Highland Lakes	Stair Safety Upgrades, High Oaks Hall	9,164
Highland Lakes	Install VFD's for Cooling Tower Fans, Sitewide	125,781
Highland Lakes	Counseling Office Reconfiguration	50,000
Orchard Ridge	Campus Boiler Replacement	5,000,000
Orchard Ridge	Electrical Distribution Upgrade, Sitewide	950,000
Orchard Ridge	Exterior Lighting Upgrades, Sitewide	135,000
Orchard Ridge	Signage Upgrade, Sitewide	1,000,000
Orchard Ridge	Tunnel Drainage Upgrades	200,000
Royal Oak	HVAC Repair, Bldg. A	245,075
Royal Oak	Hot/Cold Water Circulation Upgrade	150,000
Royal Oak	North Parking Structure Restoration	452,100
Southfield	Public Safety Remodel, Bldg. A	50,000

Capital Budget Detail • FY2020

Physical Facilities Projects

Campus	Description	2020
Southfield	Fire Alarm System Upgrade	64,500
Southfield	HVAC Control System Upgrade, Library	87,000
Southfield	Exterior Lighting Upgrade, Bldg. A	8,656
Southfield	Variable Frequency Drive Upgrades, Bldg. A	15,200
Southfield	Parking Lot Improvements	300,000
Carryover Projects Total		48,630,774

PROPOSED PROJECTS:

College-Wide	Construction Management Core Staff	400,000
	Roof Upgrades	1,000,000
	Paving, Catch Basin & Sidewalk Restoration	1,000,000
	Carpet/Flooring Replacement	200,000
	Eyewash Stations/Ventilation	100,000
	Academic/Campus Enhancements	1,000,000
	Emerging Needs/Contingency/Emergency Repair	1,000,000
		4,700,000
District Office	Site Work & Small Projects	100,000
		100,000
Highland Lakes	Site Work & Small Projects	150,000
		150,000
Orchard Ridge	Elevator Restoration-J Building	300,000
	Site Work & Small Projects	150,000
		450,000
Royal Oak	Culinary Program Development	500,000
	New Powerhouse	10,000,000
	Site Work & Small Projects	150,000
		10,650,000

Capital Budget

Capital Budget Detail • FY2020

Physical Facilities Projects

Campus	Description	2020
PROPOSED PROJECTS CONTINUED:		
Southfield	Site Work & Small Projects	50,000
		50,000
Physical Facility Projects Total		64,730,774
Capital Expenditure Total		68,846,128
Unrestricted Net Position-End of Year		77,358,409



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Statistical Information

Revenue Capacity • Last Ten Fiscal Years - (Unaudited)
Assessed Value and Taxable Value of Property

Levy Year	Taxable Valuation (1)	Tax Rates (per \$1,000) of Valuation (1)	Taxes Extended	Collections through 30-Jun Each Year*	Percent of Taxes Extended Uncollected through June 30 Each Year
2018	\$ 56,754,560,304	1.5431	\$ 87,577,962	\$ -	-
2017	54,208,963,060	1.5555	84,322,042	81,756,610	3.04%
2016	52,295,382,258	1.5707	82,140,357	79,715,391	2.95%
2015	51,443,802,777	1.5819	81,378,952	78,880,599	3.07%
2014	48,929,134,262	1.5844	77,523,320	76,153,703	1.77%
2013	48,161,785,123	1.5844	76,307,532	74,815,207	1.96%
2012	48,192,050,516	1.5844	76,355,485	74,584,846	2.32%
2011	49,765,743,185	1.5844	78,848,844	76,524,910	2.95%
2010	54,063,168,992	1.5844	85,657,685	82,850,940	3.28%
2009	61,295,611,996	1.5844	97,116,768	93,658,743	3.56%
2008	63,574,269,173	1.5844	100,727,072	97,771,877	2.93%

Source:

(1) Tax Rate Request (Form L-4029

(*) Per OCC Financial Services

Revenue Capacity • Last Ten Fiscal Years - (Unaudited)
 Enrollment, Tuition and Fee Rates, Credit Hours, and Tuition and Fee Revenues Generated - Credit courses

Fiscal Year	Fiscal Year Equated Student (FYES)	Unduplicated Headcount	Total Credit Hours	In District Tuition Rate	Out of District Tuition Rate	Out of State Tuition Rate	Tuition & Fees per FYES
2018	11,251	27,113	337,533	\$90.00	\$174.00	\$174.00	\$3,877.64
2017	11,877	29,644	368,214	88.00*	171.00	171.00	3,866.20
2016	13,241	32,936	410,459	88.00	171.00	240.00	3,609.43
2015	15,341	37,684	475,581	82.00	154.00	216.00	3,243.17
2014	17,136	45,043	531,223	76.40	139.10	195.15	3,082.38
2013	18,345	47,764	568,691	71.40	125.20	175.80	2,840.31
2012	19,571	49,578	606,704	66.70	112.90	158.40	2,617.18
2011	19,858	51,601	615,593	66.70	112.90	158.40	2,557.67
2010	19,895	49,468	616,757	60.10	101.70	142.70	2,319.47
2009	17,281	46,592	535,721	60.10	101.70	142.70	2,315.25

Source: Oakland Community College's Annual Financial Reports, Institutional Research and ACS reports.

* In Fiscal Year 2017 the College began billing based on "Contact Hours" or billable credit hours which may exceed the number of credit hours earned for additional contact with instructor, lab hours, clinicals, etc.

Debt Capacity • Last Ten Fiscal Years - (Unaudited) • Legal Debt Margin

Fiscal Year	Taxable Valuation	State Equalized Value (SEV) (1)	Debt Limit (2)	Total Outstanding Debt	Total Additional Debt Allowable for All Tax Debt	Total Additional Debt Allowable for Limited Tax Debt (3)	Additional Limited Tax Debt Could Legally Incur	Per Capita
2018	\$56,754,560,304	\$68,461,534,887	\$10,269,230,233	\$3,745,614	\$10,265,484,619	\$685,865,349	\$682,119,734	not available
2017	54,208,963,060	65,554,572,199	9,833,185,830	820,000	9,832,365,830	656,795,722	655,975,722	0.66
2016	52,295,382,258	60,806,103,774	9,120,915,566	1,605,000	9,119,310,566	609,311,038	607,706,038	1.29
2015	51,443,802,777	55,084,607,293	8,262,691,094	2,355,000	8,260,336,094	552,096,073	549,741,073	1.90
2014	48,929,134,262	51,429,923,815	7,714,488,572	3,075,000	7,711,413,572	515,549,238	512,474,238	2.48
2013	48,161,785,123	50,839,024,966	7,625,853,745	3,765,000	7,622,088,745	509,640,250	505,875,250	3.05
2012	48,192,050,516	52,453,460,343	7,868,019,051	4,435,000	7,863,584,051	525,784,603	521,349,603	3.63
2011	49,765,743,185	57,745,076,507	8,661,761,476	5,075,000	8,656,686,476	578,700,765	573,625,765	4.19
2010	54,063,168,992	67,858,986,149	10,178,847,922	6,080,000	10,172,767,922	679,839,861	673,759,861	5.05
2009	61,295,611,996	74,491,081,562	11,173,662,234	7,200,000	11,166,462,234	746,160,816	738,960,816	6.00

Source:

(1) Oakland County Equalization Reports

(2) 15% of SEV - P.A. 331 of 1966, Section 389.122

(3) The College may incur indebtedness that is not greater than 1.5% of the first \$250,000,000 of SEV of taxable property within the College district and 1% of the excess SEV over \$250,000,000 without a vote of the electors of the College.

Outstanding Debt • Last Ten Fiscal Years - (Unaudited)

Fiscal Year	Student Union Revenue Bond - 1971	2003 College Refunding Bond	Other Debt	Total Outstanding Debt
2018	\$ -	\$ -	\$ 3,745,614	\$ 3,745,614
2017	-	820,000	-	820,000
2016	-	1,605,000	-	1,605,000
2015	-	2,355,000	-	2,355,000
2014	-	3,075,000	-	3,075,000
2013	-	3,765,000	-	3,765,000
2012	-	4,435,000	-	4,435,000
2011	-	5,075,000	-	5,075,000
2010	75,000	6,005,000	-	6,080,000
2009	235,000	6,965,000	-	7,200,000

Source: Oakland Community College's Audited Financial Statements

*Key Government Finance Installment Purchase Agreement for VDI computer equipment, software and support-five years

Demographic and Economic Information • Last Ten Fiscal Years - (Unaudited)
Full-time Equivalent Employees

	2018*	2017	2016	2015	2014	2013	2012	2011	2010	2009
Administrators	78	77	77	85	82	76	86	98	98	102
Full-Time	78	76	76	84	82	76	86	98	98	102
Part-Time	0	1	1	1	0	0	0	0	0	0
Faculty	940	939	887	1362	1192	1458	1240	1329	1264	1058
Full-Time	220	216	236	248	225	243	252	249	251	247
Part-Time	720	723	651	1114	967	1215	988	1080	1013	811
Support	480	479	477	495	582	622	611	493	492	531
Full-Time	380	358	381	416	438	458	455	441	440	475
Part-Time	100	121	96	79	144	164	156	52	52	56
Actual Total Employees Reported	1498	1495	1441	1942	1856	2156	1937	1920	1854	1691
Total FTE	899	897	865	1165	1115	1237	1174	1165	1144	1015

Notes:

Management occupations in IPEDS = administration in this report

All other non-instructional, non-management occupations = support in this report

*2018 figures are estimated - IPEDS data not yet complete

Source: IPEDS report - categories defined as *instruction, management*. All other categories listed under *Support*.

Demographic and Economic Information • Last Ten Fiscal Years - (Unaudited)

Physical Facility Information

Facilities Data	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
SIZE OF CAMPUS (ACRES)										
Auburn Hills	170.00	170.00	170.00	170.00	170.00	170.00	170.00	170.00	170.00	170.00
Highland Lakes	157.07	157.07	157.07	157.07	157.07	157.07	157.07	157.07	157.07	157.07
Orchard Ridge	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00	147.00
Royal Oak	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40
Southfield	32.47	32.47	32.47	32.47	21.08	15.68	10.78	10.78	10.78	10.78
Administration	8.69	8.69	8.69	8.69	8.69	8.69	8.69	8.69	8.69	8.69
Total acreage	522.63	522.63	522.63	522.63	511.24	505.84	500.94	500.94	500.94	500.94
SQUARE FOOTAGE OF GROSS BUILDING SPACE										
Auburn Hills	633,200	632,951	632,951	632,951	632,951	632,951	632,951	620,756	620,756	561,317
Highland Lakes	315,502	315,502	315,502	315,502	384,243	384,243	384,243	384,243	384,243	380,118
Orchard Ridge	506,273	506,273	506,273	506,273	506,273	506,273	506,273	506,273	506,273	506,273
Royal Oak	534,594	534,594	534,594	534,594	534,594	534,594	534,594	534,594	534,594	540,222
Southfield	164,004	164,004	164,004	164,004	164,004	164,004	164,004	164,004	92,204	92,204
Administration	31,119	31,119	31,119	31,119	31,119	31,119	31,119	31,119	31,119	31,119
Leased Facilities	-	-	-	20,528	20,528	20,528	20,528	20,528	20,528	20,528
Total square footage	2,184,692	2,184,443	2,184,443	2,204,971	2,273,712	2,273,712	2,273,712	2,261,517	2,189,717	2,131,781
NUMBER OF CLASSROOMS*										
Auburn Hills	156	156	156	156						
Highland Lakes	59	59	59	59						
Orchard Ridge	102	102	102	106						
Royal Oak	50	50	50	50						
Southfield	43	43	43	43						
Administration	-	-	-	-						
Leased Facilities	-	-	-	2						
Total number of classrooms	410	410	410	416						

Source: Information from Oakland Community College, Dept. of Physical Facilities

*Historical classroom data unavailable for 2009-2014





Appendix

Appendix A - ACS Activity Definitions

The Activities Classification Structure (ACS) for Michigan Community Colleges was originally published in 1981. The Activities Classification Structure coincides with the Manual for Uniform Financial Reporting (MUFR) for Michigan Community Colleges. The ACS format allows for consistent reporting of expenditures by all Michigan Community Colleges.

The Michigan Community College Activities Classification Structure is a set of categories and related definitions which allows users to examine the operation of an institution as they relate to the accomplishment of that institution's objectives. It is a logical framework to array information by activity classifications, in which an "Activity" is defined as an aggregation of activities serving a common set of objectives. Activities are assigned to classifications based on the institutional objective served by the activities.

Definitions

Instruction:

The Instruction Activity includes those activities carried out for the express purpose of eliciting some measure of educational change in a learner or group of learners. "Educational change" is defined to include: (1) the acquisition or improved understanding of some portion of a body of knowledge; (2) the adoption of new or different attitudes; and (3) the acquisition or measured mastery of a skill or set of skills. The activities that may be carried out to elicit these educational changes include both teaching activities and facilitating activities. The instruction activity includes both credit and non-credit instructional offerings.

Information Technology:

The Information Technology activity includes the technology costs that benefit the institution as a whole. It consists of the Information Technology department, the operation of the computing system for the institution, all programs that are purchased and hardware that is maintained by the IT department, as well as telephone and telecommunication services.

Public Service:

The Public Service Activity includes those program activities established to make available to the public the various unique resources and capabilities of the institution for the specific purpose of responding to a community need or solving a community problem. This program includes the provision of institutional facilities, as well as those services of the faculty and staff that are made available outside the context of the institution's regular instructional program.

Academic (Instructional) Support:

The Instructional Support Activity includes those activities carried out in support of the instructional program. The activities that should be reported in this activity classification include: (1) activities related to the preservation, maintenance, and display of both the stock of knowledge and educational materials; (2) activities that develop and support instruction; and, (3) activities directly related to the administration of instructional programs.

Student Services:

The Student Services Activity includes those activities carried out with the objective of contributing to the emotional and physical well-being of the students, as well as to their intellectual, cultural, and social development outside the context of the institution's regular instruction program.

Institutional Support (Administration):

The Institutional Administration Activity consists of those activities carried out to provide for both the day-to-day functioning and the long-range viability of the institution as an operating organization. The overall objective of the Institutional Administration Activity is to provide for the institution's organizational effectiveness and continuity.

Physical Plant Operations:

The Physical Plant Operations Activity consists of those activities related to maintaining existing grounds and facilities, providing utility services, planning, and designing future plant expansion and modifications, and safety services.

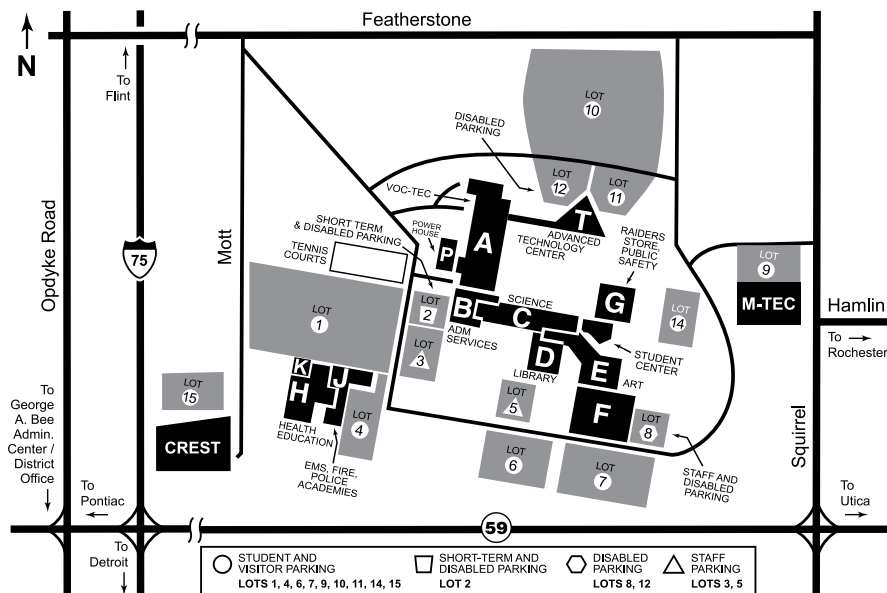
Source: Center for Educational Performance and Information. *Michigan Postsecondary Data Inventory Data Manual*. Lansing, Michigan.

Appendix B - Campus Maps

Oakland Community College campuses are conveniently located throughout Oakland County. Each campus offers state-of-the-art amenities, academic support services and unique programming that enhance the student experience.

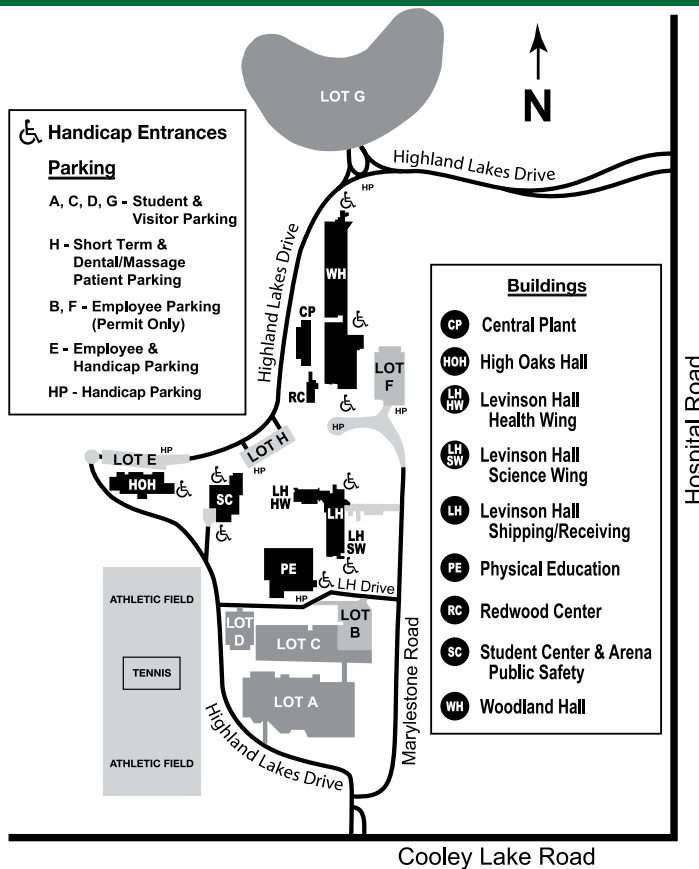


Auburn Hills Campus
2900 Featherstone Road, Auburn Hills, MI





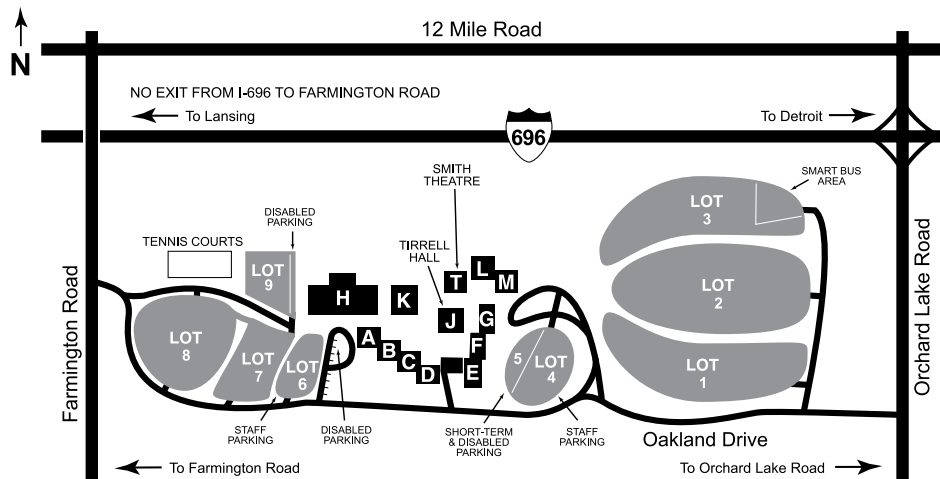
Highland Lakes Campus
7350 Cooley Lake Road, Waterford, MI



Appendix



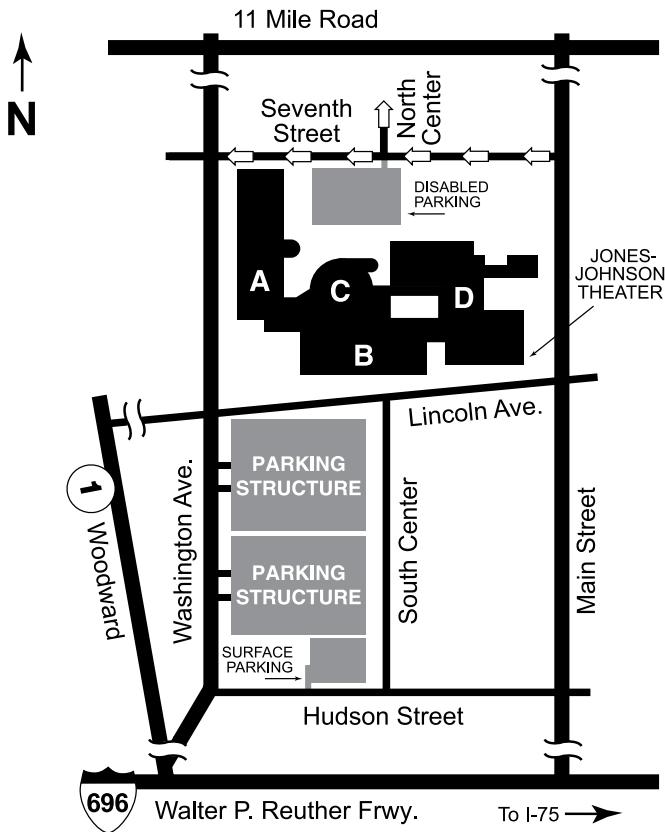
Orchard Ridge Campus
27055 Orchard Lake Road, Farmington Hills, MI



Appendix

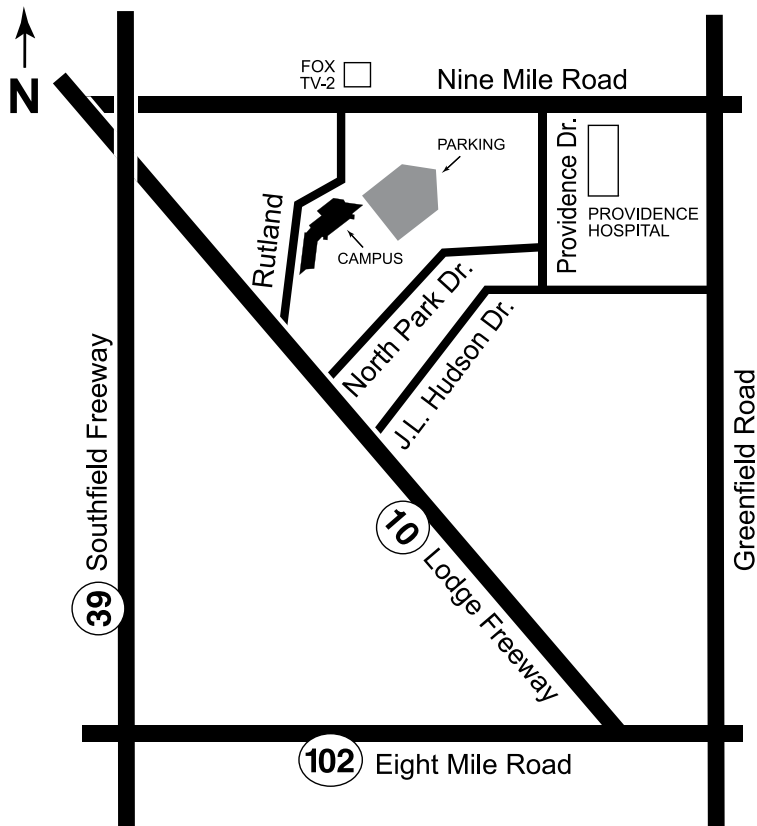


Royal Oak Campus
739 S. Washington Avenue, Royal Oak, MI





Southfield Campus
22322 Rutland Drive, Southfield, MI





District Office

2480 Opdyke Road, Bloomfield Hills, MI



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