



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

MARY A. LANNOYE
DIRECTOR

September 6, 2006

BUDGET LETTER

TO: Community College Presidents

Fiscal Year 2008 Budget Development Information
Due Date: October 27, 2006

This letter identifies the financial and program information to be submitted for the fiscal year 2008 budget development process.

Operating Budget Request

As part of your budget request submission, I request that you provide an overview of the projected fiscal year 2008 requirements of your institution and the resources available to spend on these requirements. This overview should identify major increases in spending and related offsetting savings or added revenues.

Cost Containment

Please describe significant initiatives implemented by your institution to control costs in fiscal year 2007. In your description, please indicate the amount of annual savings or one-time savings you expect to achieve through each of these efforts. In addition, please describe new cost control initiatives that your institution plans on implementing in fiscal year 2008 and the anticipated savings resulting from each of these new efforts.

Performance Measures

Attached is a form for reporting performance measures for your institution. You may augment these performance measures by attaching a description of any other performance or productivity measures used by your institution for measuring instructional and/or non-instructional services and a description of how the data from these measures is used to allocate resources. If you have questions, please contact Glen Preston at (517) 335-1539.

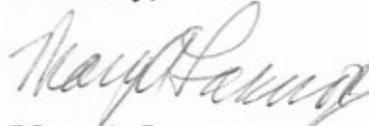
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Submission Date

Please submit three copies of your cost containment initiatives and the performance measures by Friday, October 27, 2006 to the attention of Glen Preston, Office of the State Budget, Office of Education and Infrastructure, George W. Romney Building, 6th Floor, 111 South Capitol, Lansing, Michigan 48913. The information received from community colleges regarding cost containment initiatives and performance/ productivity measures will be considered during the development of the Governor's fiscal year 2008 Executive Budget. Portions of the information received in the budget process pertaining to cost containment initiatives and performance measures may be published as part of the budget presentation. Please view this as an opportunity for your institution to demonstrate its financial stewardship to the public.

I look forward to working with you in developing the fiscal year 2008 Executive Budget recommendations.

Sincerely,



Mary A. Lannoye
State Budget Director

Attachment

cc: Budget and Financial Officers
Data Coordinators
Mike Hansen, Michigan Community College Association
Bill Bowerman, Senate Fiscal Agency
Viola Wild, House Fiscal Agency
Office of Education and Infrastructure

PERFORMANCE MEASURES FOR COMMUNITY COLLEGES

Institution _____

Outcome Goals	FY05 ACTUAL	FY06 ACTUAL	FY07 ESTIMATED	FY08 GOAL
1. Maintain or improve percentage of graduates who find jobs (one-year placement rate for students using institution's existing reports to the federal government)				
2. Maintain or improve the success of students transferring to 4-year institutions (average first year GPA of transfer students)				
Date Completed _____				
Contact Person _____		Phone Number _____ E-Mail Address _____		

DEFINITIONS:

1. "Graduates" as used in **Performance Measure 1** means those students who have completed the requirements for an associate degree, or sufficient courses to be eligible for a license or certificate or the testing procedure for the license (certificate). Report the one-year placement rate for graduates (to the nearest percent) as reported under existing reports to the federal government.
2. "Students transferring" as used in **Performance Measure 2** are those students who completed the requirements to transfer over 50 credits to a 4-year institution. Report the aggregate average first year GPA of all transfer students to 4-year institutions. Indicate NA if this information is not available.