



LAKE SUPERIOR
STATE UNIVERSITY

Office of the President

650 W. Easterday Ave., Sault Ste Marie, MI 49783

Telephone: 906-635-2202 – Fax: 906-635-6671

2019 Annual Report
to the Higher Education
Appropriations Subcommittee



Lake Superior State University is located in the city of Sault Ste. Marie, which is 45-minutes north of the Mackinac Bridge in Michigan's beautiful Upper Peninsula. LSSU is also the only university in the state located at the nexus of three Great Lakes (Superior, Huron, and Michigan). The university has an enrollment of 2,151 students (fall 2018) most of who are Michigan residents (89%), while 6% of our students are out-of-state, and 5% are international students. LSSU has a high number of first-generation college students (62% of the student body), and Pell-eligible students (33% of the student body). The current 6-year graduation rate of LSSU students is 55% (the 6-year graduation rate of first-generation students is 54%, and the 6-year graduation rate of Pell-eligible students is 47%). LSSU is also one of the most affordable universities in Michigan with tuition and fees current at \$11,895 per year, and the cost of attending is currently 35.5% below the national average of a 4-year university education.

Lake Superior State University offers primarily bachelor's and associate degrees, and also many certificates. LSSU is known for its academic programs such as fisheries and wildlife management, robotics, engineering, chemistry and the environmental sciences, teacher education, nursing, geology, business management, fire science, and criminal justice. LSSU especially takes great pride in helping first-generation and financially disadvantaged students achieve academic success through an emphasis on small-class size, experiential learning opportunities, faculty interactions, and a 16:1 student/faculty ratio. LSSU also offers joint programs with Sault College and Algoma University in Sault Ste. Marie, Ontario. LSSU also has regional centers located in northern Michigan in the cities of Escanaba and Petoskey.



In March of 2018, the Board of Trustees of Lake Superior State University appointed Dr. Rodney S. Hanley as the university's 10th president. Dr. Hanley's appointment follows the tragic death of President Thomas Pleger and the interim presidency of Peter Mitchell. Prior to coming to LSSU, Dr. Hanley was Provost and Vice President for Academic Affairs at Fisk University (Academic) in Nashville, Tennessee; Provost and Vice-President (Academic) at Lakehead University in Thunder Bay, Ontario, Canada; Dean of Science at the University of Winnipeg; and a faculty member and chair of the Department of Earth System Science and Policy at the University of North Dakota.

Dr. Hanley's career in academia spans more than 30 years, including experience as a professor, department chair, dean, and provost. He earned degrees from the University of Kansas (Ph.D., Biology), the University of Cambridge (M.St., Sustainability Leadership), and Eastern Illinois University (M.S. and B.S., Environmental Biology). Dr. Hanley has extensive research and administrative experience in a wide variety of areas, including ecology, evolutionary biology, sustainability, social justice, and diversity within higher education. Some of Dr. Hanley's projects include the operation of a NASA research jet that flew around the globe collecting measurements associated with ozone depletion, climate change, and extreme weather patterns; the engineering and installation of a custom built camera onto the International Space Station that provides near-to-real-time images to growers to aid in precision farming practices; the planning and development of the Richardson College for the Environment and Science Complex for the University of Winnipeg; and the development of the first new law school in Ontario in over 43 years at Lakehead University.

Dr. Hanley is from Decatur, Illinois and is a military veteran having served in the Persian Gulf War as part of the U.S. Army and the Illinois Army National Guard. He is also an Eagle Scout and is married to his spouse, Sara from Moorhead, Minnesota, and they have two sons: Harry, who was born in Ethiopia, and Edward, who was born in the Democratic Republic of the Congo.



Lake Superior State University students Josi Dykema (left) and Derek Hartline – along with LSSU President Rodney Hanley (center) – size up a male Atlantic salmon netted for science and future anglers on the Upper Great Lakes.



Admission and Retention Progress

Growing enrollment continues to be one of the top priorities at LSSU. The university has revamped its marketing and recruitment capabilities, particularly with respect to data and analytics, target marketing and scholarship awarding. Given the overall slowing rate of college applications nationwide and in Michigan, attracting students with a strong interest in our university has become more important than ever in our recruiting efforts. Nationally, high school students wanting to attend college apply to, on average, 12 institutions.

Last year, LSSU increased its First Time in College (FTIC) enrollment by 12.2% (345 to 387) primarily through increasing applications through mass marketing. In hindsight, while this strategy worked it required an unsustainably high rate of applicant growth due to a much lower yield dynamic than has been historically present at LSSU. Going forward, we are seeking to focus much more on attracting high-interest applicants to generate more yield per applicant. While total application numbers have declined from last year, the quality of the applicants has increased as indicated by the number of applicants who have filed a FAFSA. This year, we are experiencing a 12.5% increase in applicants who filed a FAFSA over last year (605 to 538 for the same time period last year), indicating a greater number of high-interest applicants so far this year.



LSSU ADMISSIONS COMPARISON REPORT

APPL TYPE	Fall 2019 As of 2/13/2019			Fall 2018 As of 2/13/2018			Fall 2017 As of 2/13/2017			
	FTIC	TRANS	READM	TOTAL	ETOTA	FTIC	TRANS	READM	TOTAL	ETOTA
APPLICATIONS	1816	232	24	2072	2918	1352	3734	195	18	1565
ADMITS	1147	46	6	1199	2291	978	2152	95	10	1083

From a retention standpoint, the Fall '18 to Spring '19 semester retention rate for our FTIC students was 90.4%. Retention for all students between the Fall and Spring semesters was 86%, up from last Fall 2017 to Spring 2018 rate of 85% and consistent with the Fall 2016 to Spring 2017 rate of 85%. Fall '17 to Fall '18 retention of FTIC students was 73% which is an increase of 8% over the prior year when Fall 2016 to Fall 2017 FTIC retention was 65%. These numbers indicate significant progress and bodes well for our future enrollment progress. The overall enrollment management strategy, which is comprised of both enhanced recruitment and retention strategies, is projecting an enrollment of 2,500 in 2022 and 3,000 by 2025.

Center for Freshwater Research and Education (CFRE)



Architect's rendering of the Richard and Theresa Barch Center for Freshwater Research and Education.

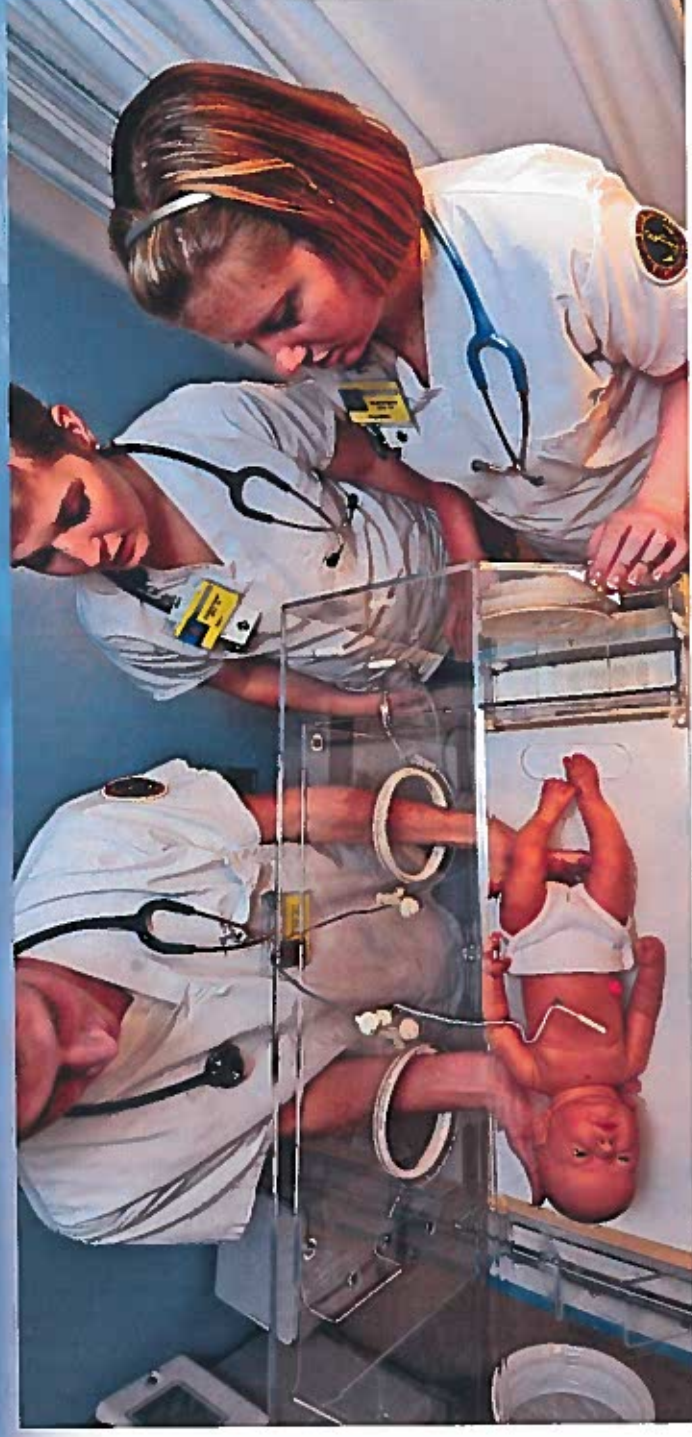
Fundraising and planning for the Richard and Theresa Barch Center for Freshwater Research and Education continues this year. The \$13.2 million Capital Outlay project requires a \$4,350,000 match from LSSU. Fundraising gifts, grants, and pledges for CFRE has exceeded \$3,300,000 as of January 25, 2019. Phase 400 (Design Development) planning was completed in January and Phase 500 work (Construction Documentation) is underway. Locating CFRE in Sault Ste. Marie's Alford Waterfront Park will create a unique educational, recreational, and fishing venue for citizens and tourists. The impact of CFRE on the Eastern U.P. will be significant in terms of enhancing LSSU's academic reputation and enrollment; expanding quality research and the vitality of fish populations; creating innovative education and outreach to teach K-12 students about the Great Lakes; and serving as an economic driver for the area. Construction is expected to begin in mid-to-late summer of 2019.



Lake Superior State University Fisheries and Wildlife Management student Cassidy Fritts holds a female Atlantic that she netted for science and future anglers.

Over 40% of the Michigan Department of Natural Resources employees are Lake State grads and 70% of MDNR employees working in fishery-related positions are LSSU alumni.

Simulation Center for Nursing and Healthcare programs



The opening of the state-of-the-art Simulation Center for Nursing and Healthcare Programs center, occurred on September 21, 2018. War Memorial Hospital (WMH) committed \$500,000 to transform the first floor of an existing building on campus into a sim center that overlooks the International Bridge to Canada. Collaboration between LSSU and WMH will create opportunities to expand our nursing program and develop new healthcare programs of study. The partnership will enable the two institutions to utilize other facilities on campus to sponsor large conferences drawing medical professionals from Canada, the U.S.A. and beyond, generating new revenue streams for both LSSU and WMH. The sim center expands capacity for teaching, thereby increasing enrollment in the LSSU nursing program by over 30%.

The WMH/LSSU Simulation Center is truly international in scope, serving nursing and healthcare professionals on both sides of the International Bridge.



Academic Strategic Direction

In response to Governor Whitmer's State-of-the-State address on February 12, 2019 and Governor Snyder's address to the Public University Summit in September 2017, LSSU reaffirms its commitment and roots as a career-oriented and experiential-learning educational experience. Building on our national reputation in robotics, engineering, fisheries and wildlife management, criminal justice, and fire science, our strategic direction continues to foster academic innovation among our programs. LSSU is currently expanding associate and certificate

programs to emphasize growing employment areas and jobs readiness. Recent programmatic additions include culinary arts, geographical information systems, e-marketing, international business, and cannabis science. Additional jobs-ready programs are currently being developed and will be rolled out in the coming months. The result of our strategic direction and new programs focused on jobs readiness will prepare LSSU graduates for the jobs of tomorrow.

LSSU MISSION STATEMENT

We equip our graduates with the knowledge, practical skills and inner strength to craft a life of meaningful employment, personal fulfillment, and generosity of self, all while enhancing the quality of life of the Upper Great Lakes region.

College of Innovation and Solutions		College of Science and the Environment		College of Health and Behavior		College of Criminal Justice and Emergency Responders		College of Education and Liberal Arts		
School of Engineering and Technology	Lukenda School of Business	School of Science & Medicine	School of Natural Resources & Environment	School of Nursing	School of Kinesiology and Behavioral Sciences	School of Criminal Justice, Fire Science and Emergency Services		School of Arts & Letters	School of Education	School of General Studies and Liberal Arts





Like most other Universities in our State, LSSU is working to address a number of asset preservation projects that have accumulated over decades. LSSU has 14 of its 31 buildings on the National Historic Register and the average age of the housing units is over 70-years old, therefore preservation initiatives are very important to the campus in order to attract and maintain students. During the past year LSSU issued \$23.6M in bonds in an effort to address upgrades for many of the infrastructure preservation efforts noted in our Master Plan. These efforts primarily focused on utility related upgrades where significant savings would be realized in order to pay the debt service on the bonds.

One critical need where there is no return on investment, is a full replacement and upgrade of our campus electrical grid. As a result of deferred maintenance, the grid which powers our campus is quickly approaching the end of its useful life. This became clear in 2016/2017 when our system experienced a temporary partial failure in early fall, and a temporary full failure in the winter. The combined outages resulted in approximately \$200,000 worth of damage, a loss of 3 academic days, and an estimated \$120,000 in lost revenue for the University. LSSU has allocated some funding to the replacement effort, and the State (via the MEDC) did provide a \$300,000 grant two years ago.

LSSU is requesting an additional \$300,000 from the MEDC in an effort to continue upgrade efforts on this multi-year replacement plan. LSSU can provide \$150,000 in matching funds.



Artistic rendering of air-supported, athletic facility for Lake Superior State University to be used for new academic program development and community outreach.

The Center for Outdoor Recreation and Education (CORE) project is LSSU's highest priority capital outlay project, and one which is critical to the University's capacity to move forward with our central mission to "enhance the quality of life in the Upper Great Lakes." The CORE facility is a classroom and activity space focused on outdoor education, recreational management, and management of recreational resources. It is a project which builds effectively on the groundwork laid by previous capital projects including Considine Hall which houses the Lukenda School of Business, and the Center for Freshwater Research and Education which focuses on preserving our greatest natural resource – freshwater. This project will leverage the University's geographic location, leverage existing academic programs, strengthen service to our region, and build programming that aligns with Michigan's growth initiatives around the Outdoor Recreation Industry.

The CORE project will help the University fulfill its mission to serve the public good, providing one of the largest indoor field spaces in Michigan's Upper Peninsula or Northern Lower Peninsula region. This space will be central to our expanded focus on recreational activities including space for wellness

activities (i.e. walking, running, etc.), community focused activities, educational practicum and training facility for our students. The proposed facility would be among the most cost-efficient structures on the University campus on a square-foot basis, and one of the most cost-efficient buildings on any university campus in Michigan.

LSSU's CORE project, the Center for Outdoor Recreation and Education, is uniquely positioned to strengthen LSSU's role in preparation of talented individuals to support the Outdoor Recreation Industry. The outdoor recreation economy generates 232,000 direct jobs, and \$26.6 billion in consumer spending. Wages and salaries of \$7.5 billion contribute to \$2.1 billion in state and local tax revenue (source: outdoorindustry.org). In addition, the Department of Natural Resources estimates that over the next five years 25% or more of their staff could retire. LSSU's CORE project will prepare students to make significant and positive contributions to leveraging Michigan's abundant natural resources to increase economic growth and job creation. The CORE project will have a major impact on our local community, region and state in helping to keep our citizens healthy.

Center for Outdoor Recreation and Education (CORE) Request

The Center for Outdoor Recreation and Education will serve two key functions. It will serve as the academic training ground for outdoor recreation professionals (recreational therapists, outdoor industry managers, small business operators, coaches and trainers) preparing them to make meaningful contributions to the state through job creation and economic growth. Michigan's Hot 50: Tomorrow's High-demand and High-wage Careers (source: Pathfinder.mitalent.org) identified over 2,000 jobs for general and operations managers, and projected a percentage of job growth from 2014-2024 of 9.4%. These individuals will support job creation and economic growth as they plan, direct, or coordinate the operations of public or private sector organizations. Duties and responsibilities include formulating policies, managing daily operations, and planning the use of materials and human resources related to the outdoor recreation industry. Since growth in the Outdoor Recreation Industry will require leadership, students will be trained in the disciplines of management, entrepreneurship, outdoor activities, recreational sports, and business. Secondary benefits will be realized by the State as the Center supports and expands the engagement of individuals in athletic and exercise activities. In addition, the CORE project will provide important wellness and recreation opportunities to the thousands of additional workers that will be employed to complete the \$922 million Soo Locks Project.



Aerial view of Sault Ste. Marie, Michigan

LSSU is requesting that the State approve our Capital Outlay Request of \$5 million to support the CORE project. The university will contribute \$1.25 million through fundraising gifts, grants, and pledges.



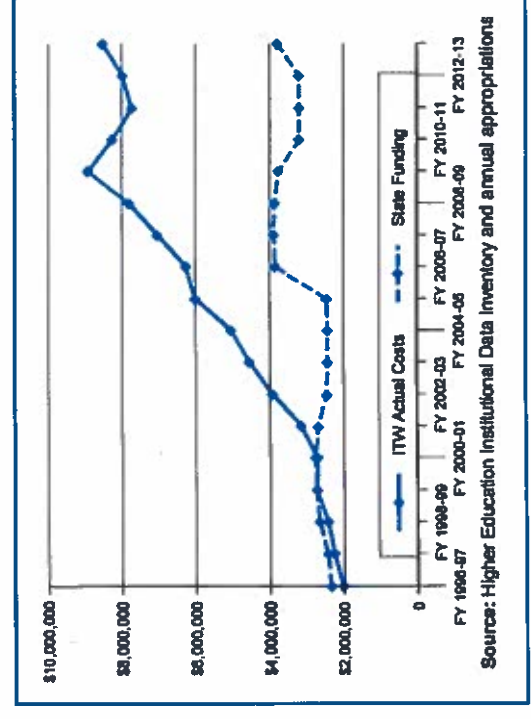
Michigan Indian Tuition Waiver (MITW) Request

Public Act 174 of 1976 provides for free tuition for North American Indians who are residents of Michigan and attend Michigan public community colleges, public universities, and certain Federal tribally controlled community colleges. Until 1998, the State provided reimbursement directly to the Universities, but after that time reimbursements were folded into the State Appropriations. These appropriations have not kept up with the educational costs the universities have experienced. Traditionally, Lake Superior State University has a higher per capita enrollment of Native American students than any other Michigan University (currently, around 10% of our student body are Native American). The shortfall in funding varies from year to year, but roughly equates to approximately 2% of our total State appropriation. This creates a substantial financial burden for not only the institution, but for the students who must make up the difference with increased tuition. The shortfall in State funding for Native American students has varied from \$307,000 to \$534,000 over the last five years with the total shortfall amounting to over 6,000,000 uninflated dollars since 1998.



LSSU estimates the shortfall for FY19 to be \$265,000, but the actual FY18 shortfall is known (\$267,688), therefore we request reimbursement of the FY18 amount (\$267,688). By funding this reimbursement request, the State will be providing true equity to LSSU for administering the promises made to Native American Tribes.

COST OF MICHIGAN INDIAN TUITION WAIVER FOR PUBLIC UNIVERSITIES



Source: Higher Education Institutional Data Inventory and annual appropriations

SHORTFALL % OF STATE APPROPRIATION FOR PUBLIC UNIVERSITIES

