

**OAKLAND UNIVERSITY  
BOARD OF TRUSTEES  
WORKING SESSION AGENDUM ITEM  
May 4, 2005**

**TREASURER'S REPORT**

**Year to Date General Fund Budget Performance**

The attached spreadsheets (Attachments A and B) report on budget-to-actual revenues, expenditures and encumbrances for FY 2005 through March 31, 2005. Overall, the general fund is operating favorably compared to budgeted expectations. Executive Order 2005-07 was approved in March reducing state appropriations to public state universities by \$35 million. Oakland's share of the reduction was \$844,800 for FY 2005 with the same amount as a base cut in FY 2006. With higher than expected revenue, due to strong enrollment, and prudent expense management, funding is available to absorb the appropriation reduction within the existing FY 2005 budget. Language is being considered within the Senate to return this funding to the universities if state revenues improve.

**Pooled Cash Investment Performance**

Pooled cash investment operations returned a net 0.18% for the quarter ended March 31, 2005. The equities portion of the portfolio, 10% of the total, returned a net 0.01% for the quarter compared to the benchmark of -1.86%. The intermediate fixed income portion, 35% of the total, returned a net -0.37% for the quarter compared to the benchmark of -0.59%. The short-term investments, 55% of the total, returned a net 0.53% for the quarter compared to the benchmark of 0.51%. The total pooled cash at market value on March 31, 2005 was \$85,616,617.

**Endowment Investment Performance**

For the quarter ended March 31, 2005, the Endowment Fund investment activity produced a total net return of -0.8%. The Multi-Strategy Equity Fund portion produced a return of -1.2% for the quarter compared to the benchmark of -2.2%. The Multi-Strategy Bond Fund portion produced a return of 0.04% for the quarter compared to the benchmark at -0.5%. At the quarter end, equity investments accounted for 72.3% of the endowment fund at a market value of \$16,582,322 and the fixed income investments were 27.7% of the endowment fund at a market value of \$6,339,916. The total market value of the endowment fund at March 31, 2005 was \$22,922,238.

**Web Service Enhancement**

The Student Business Services Department has successfully tested an on-line payment feature that will allow the University to accept payments on-line from credit cards as well as checking and savings accounts via ACH. The roll-out of this new service is expected to occur in the near future. This enhancement to our treasury services will benefit departments, students and others making payment to the University.

**Treasurer's Report**  
**Board of Trustees Working Session**  
**May 4, 2005**  
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**Attachment**

- A. General Fund Budget Performance Summary, Revenues by Category
- B. General Fund Budget Performance Summary, Expenditures by Major Unit

**Submitted for Review by VP for Finance and Administration**  
**John W. Beaghan**

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(Please Initial)

**Reviewed by Secretary Victor A. Zambardi**

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(Please Initial)

**Reviewed by President Gary D. Russi:**

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(Please Initial)

**Oakland University**  
**General Fund Budget Performance Summary**  
**Revenues by Category**  
**As of March 31, 2005**

<b>Category</b>	<b>FY 2005</b>			<b>FY 2004</b>		
	<b>Budget</b>	<b>Year to Date Revenue</b>	<b>% of Total</b>	<b>Budget</b>	<b>Year to Date Revenue</b>	<b>% of Total</b>
State Appropriations	\$ 48,106,101	\$ 27,712,297	57.6%	\$ 49,087,858	25,855,405	52.7%
Tuition, Fees and Financial Aid	75,633,843	69,372,136	91.7%	71,221,477	66,520,369	93.4%
Other	7,082,334	5,930,557	83.7%	4,590,948	4,027,332	87.7%
<i>General Fund Total</i>	<u>\$ 130,822,278</u>	<u>\$ 103,014,990</u>	<u>78.7%</u>	<u>\$ 124,900,283</u>	<u>\$ 96,403,106</u>	<u>77.2%</u>

Notes:

- ~ FY 2005 State Appropriation YTD is higher as a percent of budget due to FY 2004 appropriation reductions made effective December 2003.
- ~ Other Revenue - FY 2004 Charter School revenue exceeded 100% of budget at this time last year due to addition of D.A.A.S.

**Oakland University**  
**General Fund Budget Performance Summary**  
**Expenditures by Major Unit**  
**As of March 31, 2005**

Major Unit	FY 2005			FY 2004		
	Budget	YTD Expenditures <sup>(1)</sup>	% of Total	Budget	YTD Expenditures <sup>(1)</sup>	% of Total
College of Arts & Sciences	\$ 27,186,832	\$ 23,231,872	85.5%	\$ 28,201,920	\$ 23,052,560	81.7%
School of Business Administration	9,443,314	8,288,820	87.8%	9,975,773	8,027,758	80.5%
School of Education and Human Services	12,505,238	9,367,428	74.9%	11,570,655	8,857,947	76.6%
School of Engineering and Computer Science	7,963,747	6,769,187	85.0%	8,148,444	6,777,728	83.2%
School of Health Sciences	2,615,154	2,216,434	84.8%	2,856,143	2,180,239	76.3%
School of Nursing	2,912,013	2,434,743	83.6%	2,904,925	2,258,299	77.7%
Kresge Library	3,996,746	3,214,131	80.4%	3,997,995	3,290,348	82.3%
Instructional and Information Technology	6,327,639	4,859,459	76.8%	5,616,529	4,330,315	77.1%
Academic Affairs - Other	16,443,910	7,711,053	46.9%	11,888,834	7,269,781	61.1%
<i>Academic Affairs Total</i>	<b>\$ 89,394,593</b>	<b>\$ 68,093,127</b>	<b>76.2%</b>	<b>\$ 85,161,218</b>	<b>\$ 66,044,975</b>	<b>77.6%</b>
Finance & Administration	\$ 16,935,476	\$ 12,179,776	71.9%	\$ 16,954,767	\$ 12,237,830	72.2%
Student Affairs	5,387,510	3,870,308	71.8%	5,275,345	3,901,534	74.0%
University Relations	1,751,627	1,050,357	60.0%	1,756,077	1,301,642	74.1%
President	6,670,342	4,521,711	67.8%	6,350,584	4,387,933	69.1%
General	10,682,372	3,338,211	31.2%	9,401,312	3,429,192	36.5%
<i>General Fund Total</i>	<b>\$ 130,821,920</b>	<b>\$ 93,053,490</b>	<b>71.1%</b>	<b>\$ 124,899,303</b>	<b>\$ 91,303,106</b>	<b>73.1%</b>

Notes:

(1) Includes Encumbrances

~ FY 2004 Academic Affairs College/School budgets include spring semester reallocations. FY 2005 spring reallocations have not been transferred.