

**Agendum
Oakland University
Board of Trustees Special Formal Meeting
July 24, 2006**

**APPROVAL OF THE OAKLAND UNIVERSITY GENERAL FUND BUDGET
AND TUITION AND FEE RATES FOR FISCAL YEAR 2007**

A Recommendation

Introduction:

Approval by the Board of Trustees is requested for the FY 2007 proposed General Fund budget and tuition and fee rates. Highlights and assumptions for this budget proposal are described below.

Attachment A is a FY 2007 Budget Preparation Briefing.

The FY 2007 Proposed General Fund Budget is detailed in Attachment B. The document provides an overview of the FY 2007 Proposed General Fund Budget, compared to the final FY 2006 budget approved by the Board on November 2, 2005, with the addition of FY 2005 year-end encumbrance and carryforward amounts. Attachment B provides detailed budget information for each major academic and operating unit of Oakland University (University or Oakland).

Attachment C is the proposed Schedule of Tuition and Fee Rates, Effective Fall Semester 2006.

Economic Considerations:

The higher education funding situation in Michigan experienced another year of uncertainty as it relates to appropriation levels. This was evidenced by the relatively late approval of the FY 2006 State of Michigan budget, including the Higher Education Appropriation bill, and the yet to be finalized FY 2007 budget and bill. The University planned for a flat appropriation in its initial FY 2006 operating budget and later revised that budget due to a welcomed and much needed mid-year appropriation adjustment of \$2.6 million as part of the State of Michigan's final FY 2006 appropriation budget for higher education. This appropriation increase made it possible to fund critical needs that could not be funded in the initial FY 2006 General Fund budget.

The University's FY 2007 proposed General Fund Budget includes a projected appropriation increase of 3.4% based on the SB 1088 Conference Report due to be finalized in late July. This increase is a result of the continued movement by the State to recognize floor funding per Fiscal Year Equated Student (FYES) as part of the funding strategy for public universities. Oakland's projected increase compares favorably to the overall appropriation increase of 3% for all fifteen public universities.

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Historically, the University has been under-funded by the State on a per FYES basis as compared to the other fourteen four-year public universities in Michigan. In FY 2006, the University received per FYES appropriations of \$3,713 as compared to the state average of \$5,135. Only one university, Grand Valley State University, received lower per FYES state funding than Oakland University.

Similarly, the University undergraduate resident tuition and required fee rates have been comparatively low. Lower division rates are fourth lowest at \$6,056 per FYES. Upper and lower division combined rates are sixth lowest at \$6,361 per FYES. The University's increases over the past ten years (FY 1996 – FY 2006) have been the third lowest in the state.

The University's combined cost of educating a student, appropriation per FYES plus tuition and fees per FYES, is fourth lowest in the state.

Highlights of the FY 2007 Proposed General Fund Budget:

Revenue:

1. Projected State appropriation increase of 3.4%.
2. Increase in tuition revenue, offset by a reduction in fee revenue resulting from the completion of the mandatory fee elimination initiated mid-year FY 2006.
3. FYES enrollment of 14,657, a 4.16% projected increase.
4. Average undergraduate resident tuition increase of 7.97%.
5. Increases to student financial aid funding of \$1,190,259 or 13.06%.

Expense:

1. Contractual and/or projected total compensation costs are budgeted to increase \$4.2 million. This figure includes both salary and fringe benefit expenses, including a 10% projected increase in the University's health care costs.
2. Purchased utilities increase of \$636,988 or 21.2%, driven primarily by increased electric, oil and natural gas prices.
3. Operating budget funding required to support continued growth in on-campus activities, an expanded presence at the Macomb University Center campus and funding for the Writing Center.

Recommendation:

WHEREAS, with the close of FY 2006, the new General Fund Budget and Tuition and Fee Rates for FY 2007 require Board of Trustees approval; now, therefore, be it

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RESOLVED, that the Board of Trustees approve the FY 2007 General Fund Budget at an expenditure level of \$156,306,908 (see Attachment B for detail) and approved encumbrances and carryforwards from the June 30, 2006 fund balance; and, be it further

RESOLVED, that the Board of Trustees approve the Schedule of Tuition and Fee Rates, effective Fall Semester 2006 attached hereto as Attachment C; and, be it further

RESOLVED, that the Board of Trustees approve the spending of general fund revenues generated from any enrollment in excess of that budgeted to adequately cover the instructional, programmatic and operating expenditures necessary to support higher than budgeted enrollment levels.

Attachments:

- A. Fiscal Year 2007 Budget Preparation Briefing
- B. Fiscal Year 2007 Proposed General Fund Budget
- C. Schedule of Tuition and Fee Rates (effective Fall Semester 2006)

Budgetary Implications:

Approval of the General Fund Budget for FY 2007 will align an approved expenditure level with anticipated revenues.

Submitted to the President
on _____, 2006, by

John W. Beaghan
Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on _____, 2006
to the Board of Trustees for Approval

Gary D. Russi
President



**Fiscal Year 2007
Budget Preparation Briefing
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Base State Appropriations FY 1996 - 2006

<u>Fiscal Year</u>	<u>Appropriation</u>
1996	38,967,000
1997	40,186,000
1998	42,461,000
1999	44,321,000
2000	48,083,000
2001	52,950,476
2002	52,384,700
2003	50,551,147
2004	46,633,500
2005	47,261,300 (After E.O. 2005-7)
2006	50,685,700

Data per Audited Financial Statements and revised FY06 Budget



FY 2006 Base Appropriations per FYES Resident Undergraduate Students

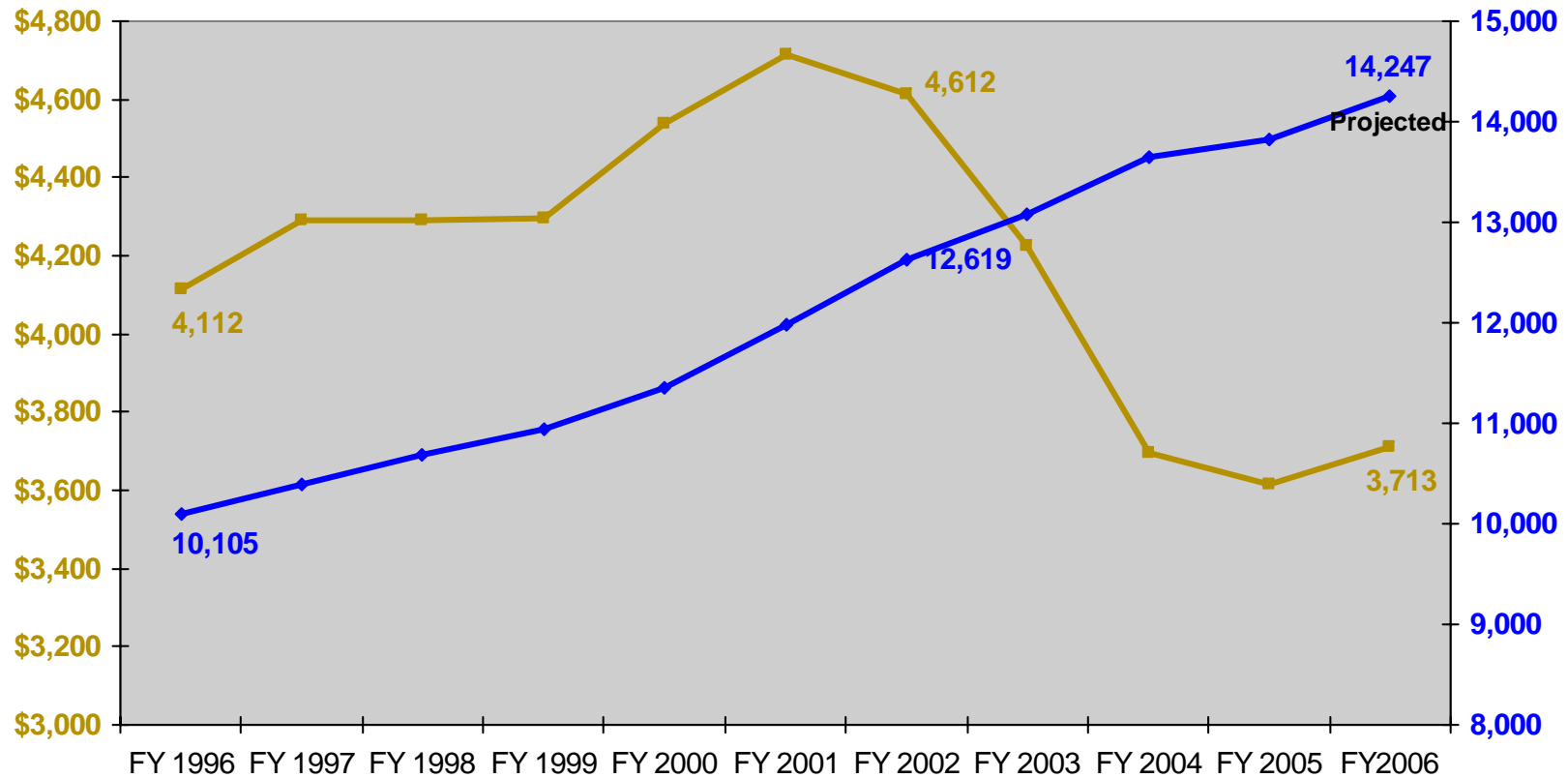
Wayne State University	\$ 8,681
University of Michigan - Ann Arbor	8,139
Michigan Technological University	7,943
Michigan State University	6,832
Northern Michigan University	5,425
Ferris State University	4,704
Lake Superior State University	4,463
Western Michigan University	4,381
University of Michigan - Flint	4,273
Eastern Michigan University	3,889
University of Michigan - Dearborn	3,828
Central Michigan University	3,733
Saginaw Valley State University	3,713
Oakland University	3,713
Grand Valley State University	3,302



FYES Enrollment and Base Appropriation per FYES

Approp. Per FYES

FYES





FY 2006 Tuition and Required Fees Resident Students – per FYES

(State Reported Undergraduate Rates)

University of Michigan - Ann Arbor	9,798
Michigan State University	8,685
Michigan Technological University	8,194
University of Michigan - Dearborn	6,957
Wayne State University	6,948
Western Michigan University	6,784
Ferris State University	6,740
Eastern Michigan University	6,541
University of Michigan - Flint	6,441
Oakland University	6,361
Grand Valley State University	6,334
Lake Superior State University	6,306
Central Michigan University	5,868
Northern Michigan University	5,858
Saginaw Valley State University	5,282



FY 2006 Tuition and Required Fees Resident Students – per FYES

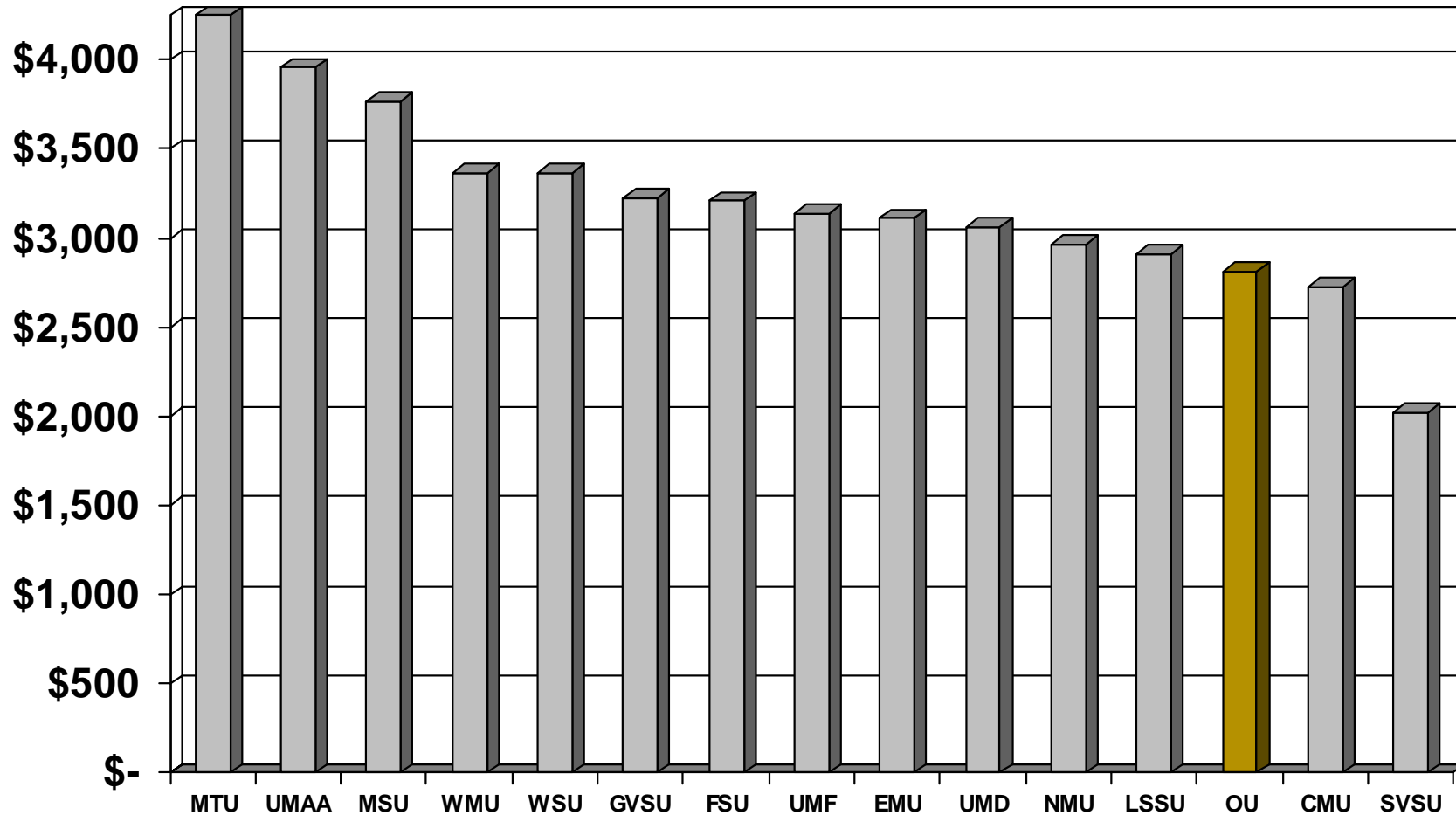
(Lower Division Undergraduate Rates)

University of Michigan - Ann Arbor	9,213
Michigan Technological University	8,194
Michigan State University	7,761
Ferris State University	6,740
University of Michigan - Dearborn	6,718
Eastern Michigan University	6,541
Western Michigan University	6,478
Wayne State University	6,439
University of Michigan - Flint	6,398
Lake Superior State University	6,306
Grand Valley State University	6,220
Oakland University	6,056
Central Michigan University	5,868
Northern Michigan University	5,858
Saginaw Valley State University	5,282



Michigan Universities

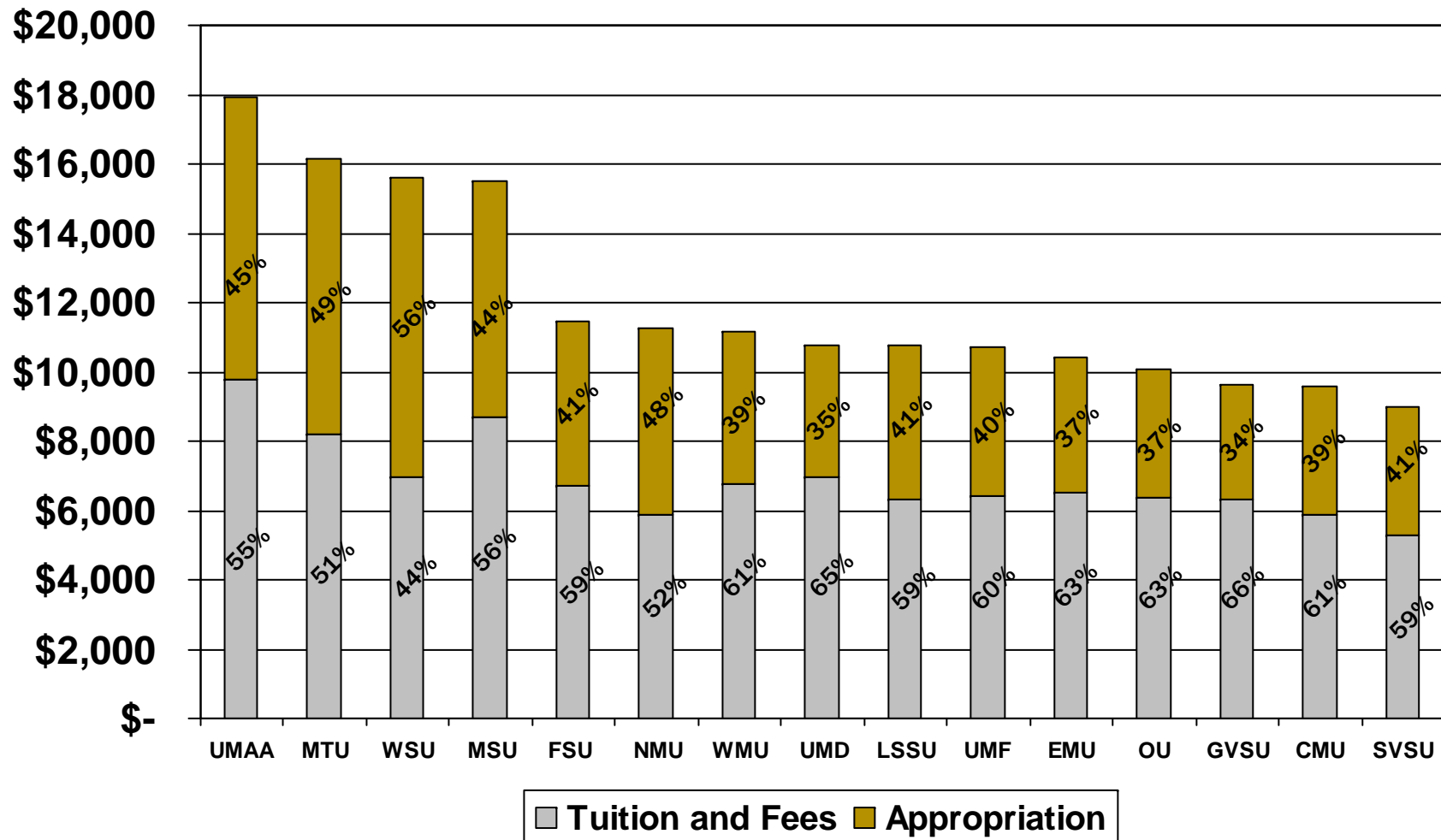
10-Year Change (FY 1996 – FY 2006) in Resident Student Tuition and Required Fees





Michigan Universities

FY 2006 Total Tuition and Required Fees and State Appropriation per FYES





Financial Stewardship

Budget Reductions and Cost Containment

Cumulative FY 2003 – 2006

Category	Base	One-Time
Budget Reductions	\$ 6,412,400	\$ 5,626,000
Cost Containment	7,083,949	2,893,051
Total Reductions/Containment	<u>\$ 13,496,349</u>	<u>\$ 8,519,051</u>

Budget Reduction Position Eliminations

56 FTE



FY 2007 General Fund Budget Summary

Appropriation Increase	3.4%
Projected Enrollment Growth	4.16%
Tuition Increase (Resident UG Average)	7.97%
Financial Aid Increase	\$1,190,259



FY 2007 General Fund Base Budget Changes

Revenues:

Appropriation	\$1,723,314
Tuition, Fees, Other	14,998,160
Financial Aid	(1,190,259)
Less: FY 06 Encumbrances	(3,107,777)
	<hr/>
	\$ 12,423,438

Expenditures:

Fee Elimination Funding	4,253,566
Compensation (contractual)	4,224,565
Academic Programs and Macomb Initiatives:	
Faculty Positions	2,885,596
Graduate Assistants	358,050
Administrative Staff/Other	637,476
Reorganizations (AA, UR, F&A, Athletics)	1,409,137
Faculty Research and Travel	19,999
Writing Center	58,461
Software Licensing	210,000
Utilities	636,988
Deferred Maintenance	300,000
Minimum Wage and Postage	174,928
Other (banking fees, debt, idc, etc.)	363,025
Less: FY 06 Encumbrances	(3,107,777)
	<hr/>
	\$ 12,424,014

Revenues Over / (Under) Expenditures	<hr/>
	(\$576)

**Oakland University
Fiscal Year 2007
Proposed General Fund Budget**

Category	FY 2006 Budget	FY 2007 Projected Budget	Amount Change	% Change
State Appropriation - Base	\$ 50,685,700	\$ 52,409,014	\$ 1,723,314	3.40%
Student Tuition	93,403,145	111,176,061	17,772,916	19.03%
Student Fees	3,047,107	185,775	(2,861,332)	-93.90%
Financial Aid Offset	(9,115,149)	(10,305,408)	(1,190,259)	13.06% (1)
Net Tuition & Fees Revenue	\$ 87,335,103	\$ 101,056,428	\$ 13,721,325	15.71%
Indirect Cost Recovery	1,600,000	1,750,400	150,400	9.40%
Miscellaneous Income	1,155,180	1,091,356	(63,824)	-5.53%
Encumbrances	3,107,777	0	(3,107,777)	-100.00% (2)
Total Funding Sources:	\$ 143,883,760	\$ 156,307,198	\$ 12,423,438	8.63%
Less: Budgeted Expenditures	\$ 143,882,894	\$ 156,306,908	\$ 12,424,014	8.63%
Revenues Over (Under) Expenditures	\$ 866	\$ 290	(\$ 576)	
FYES Enrollment	14,072	14,657	585	4.16%

Notes:

- 1) The university has adopted financial statement presentation changes as recommended by GASB 34 and 35 and NACUBO principles for financial statement presentation. As a result, institutional financial aid is shown as an offset to revenues.
- 2) The amounts for Budgeted Expenditures for FY 2007 do not include any encumbrances and carryforwards. Encumbrances and carryforwards as of June 30, 2006 will be added to the budgeted expenditure base for the following fiscal year as a one time allocation.

Oakland University
General Fund Budgeted Expenditures
Fiscal Year 2006 - 2007

	FY 2006 Adjusted Total Budget	Eliminate FY 2006 One-Time	FY 2006 Adjusted Base Budget	FY 2007 Budget Changes	FY 2007 Budget
College of Arts & Sciences	\$ 27,412,864	\$ (33,393)	\$ 27,379,471	\$ (1,064,462)	\$ 26,315,009
School of Business Administration	10,214,618	(44,916)	10,169,702	230,835	10,400,537
School of Education and Human Services	7,504,799	(46,003)	7,458,796	569,317	8,028,113
School of Engineering and Computer Science	7,296,607	(15,639)	7,280,968	108,201	7,389,169
School of Health Sciences	2,521,571	0	2,521,571	270,409	2,791,980
School of Nursing	3,229,423	(20,162)	3,209,261	357,167	3,566,428
Kresge Library	4,084,458	(2,432)	4,082,026	78,077	4,160,103
Instructional and Information Technology	6,185,225	(291,806)	5,893,419	5,512	5,898,931
Academic Affairs - Other	23,603,389	(548,584)	23,054,805	3,781,805	26,836,610
Finance & Administration	18,039,323	(520,444)	17,518,879	842,172	18,361,051
Student Affairs	11,057,359	(137,119)	10,920,240	3,321,053	14,241,293
University Relations	1,822,058	(5,598)	1,816,460	630,900	2,447,360
President	6,845,344	(640,959)	6,204,385	784,461	6,988,846
General	14,065,856	(800,722)	13,265,134	5,616,344	18,881,478
Total	\$ 143,882,894	(\$ 3,107,777)	\$ 140,775,117	\$ 15,531,791	\$ 156,306,908

College of Arts & Sciences

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	(1,135,980)	(1,135,980)
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	27,412,864	(33,393)	71,518	27,450,989
Fringe Benefits	0	0	0	0
Total	27,412,864	(33,393)	(1,064,462)	26,315,009

Explanation of Major Changes:

1,407,211	Faculty Reallocation - In
70,924	Minimum Wage Adjustment (students)
594	Postage Base Adjustment
(2,543,191)	Faculty Reallocation - Out
(1,064,462)	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change	2003 Nat'I Ratio Comp	2003 Nat'I Ratio Doc II
Fall Credit Hours	91,537	97,278	101,246	105,911	107,543	111,172	113,754			
Fall Credit Hours % Change	5.35%	6.91%	3.46%	4.61%	1.5%	3.4%	2.3%	24.3%		
Research Grants (\$)	1,811,100	2,307,700	1,603,900	2,863,418	2,019,324	3,207,346	1,636,850			
Publications / Presentations - Faculty	851	1,105	1,187	1,200	1,236	1,230	1,293			
Ratio FTE Std/FTE Fac (Teaching)	19.6	20.2	19.7	20.4	21	21			9-21	9-24

Estimated Budgeted Tuition Revenue:

	Competency	Lower UnderGrad	Upper UnderGrad	Graduate I	Graduate II	Total	% of Total
College of Arts & Sciences Total	0	27,751,010	28,031,755	2,090,863	455,949	58,329,577	52.4%

School of Business Administration

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	52,179	0	387,576	439,755
Part-Time Faculty	38,750	0	12,250	51,000
All Other Staff	86,460	0	(74,543)	11,917
Operating Budget	9,983,558	(44,916)	(49,605)	9,889,037
Fringe Benefits	53,671	0	(44,843)	8,828
Total	10,214,618	(44,916)	230,835	10,400,537

Explanation of Major Changes:

711,000	Faculty Reallocation - In
6,528	Minimum Wage Adjustment (students)
868	Postage Base Adjustment
(208,816)	SBA-Exec MBA Health Care Mgmt Prog
(278,745)	Faculty Reallocation - Out
230,835	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change	2003 Nat'I Ratio Comp	2003 Nat'I Ratio Doc II
Fall Credit Hours	18,112	19,197	19,811	20,711	21,061	21,948	22,234			
Fall Credit Hours % Change	8.30%	6.00%	3.20%	4.54%	1.7%	4.2%	1.3%	22.8%		
Research Grants (\$)	0	74,600	46,000	79,795	101,033	138,353	89,161			
Publications / Presentations - Faculty	117	121	135	122	75	86	51			
Ratio FTE Std/FTE Fac (Teaching)	22.2	22.5	23.3	22.6	23	22			17-23	19-22

Estimated Budgeted Tuition Revenue:

	Competency	Lower UnderGrad	Upper UnderGrad	Graduate I	Graduate II	Total	% of Total
School of Business Administration Total	0	2,211,056	8,270,334	3,952,747	0	14,434,137	13.0%

School of Education and Human Services

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	87,424	0	563,112	650,536
Part-Time Faculty	94,500	0	0	94,500
All Other Staff	35,312	0	0	35,312
Operating Budget	7,237,085	(46,003)	6,205	7,197,287
Fringe Benefits	50,478	0	0	50,478
Total	7,504,799	(46,003)	569,317	8,028,113

Explanation of Major Changes:

563,112	Faculty Reallocation - In
5,950	Minimum Wage Adjustment (students)
255	Postage Base Adjustment
569,317	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change	2003 Nat'I Ratio Comp	2003 Nat'I Ratio Doc II
Fall Credit Hours	23,282	24,118	23,415	24,151	24,380	24,721	25,219			
Fall Credit Hours % Change	5.26%	3.59%	-2.91%	3.14%	0.9%	1.4%	2.0%	8.3%		
Research Grants (\$)	605,600	1,002,300	593,100	85,356	252,822	45,356	61,756			
Publications / Presentations - Faculty	241	273	289	264	220	288	261			
Ratio FTE Std/FTE Fac (Teaching)	18.1	17.9	18.2	18.4	18	18			14-16	12-16

Estimated Budgeted Tuition Revenue:

	Competency	Lower UnderGrad	Upper UnderGrad	Graduate I	Graduate II	Total	% of Total
School of Education and Human Services Total	0	540,337	8,566,637	11,512,551	1,693,331	22,312,856	20.0%

School of Engineering and Computer Science

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	106,650	106,650
Part-Time Faculty	0	0	0	0
All Other Staff	3,065	0	0	3,065
Operating Budget	7,292,179	(15,639)	1,551	7,278,091
Fringe Benefits	1,363	0	0	1,363
Total	7,296,607	(15,639)	108,201	7,389,169

Explanation of Major Changes:

106,650	Faculty Reallocation - In
1,224	Minimum Wage Adjustment (students)
327	Postage Base Adjustment
108,201	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change	2003 Nat'I Ratio Comp	2003 Nat'I Ratio Doc II
Fall Credit Hours	11,096	11,332	11,508	11,389	10,464	9,011	8,994			
Fall Credit Hours % Change	11.27%	2.13%	1.55%	-1.03%	-8.1%	-13.9%	-0.2%	-18.9%		
Research Grants (\$)	4,270,530	2,696,400	3,425,700	3,889,320	4,039,620	3,802,222	2,068,469			
Publications / Presentations - Faculty	232	180	236	376	249	NA	NA			
Ratio FTE Std/FTE Fac (Teaching)	19.0	19.6	17.9	15.8	16	13			9, 10, 14	11, 18

Estimated Budgeted Tuition Revenue:

	Competency	Lower UnderGrad	Upper UnderGrad	Graduate I	Graduate II	Total	% of Total
School of Engineering and Computer Science Total	0	943,802	3,419,299	2,514,711	582,874	7,460,686	6.7%

School of Health Sciences

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	47,449	0	270,159	317,608
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	2,455,540	0	250	2,455,790
Fringe Benefits	18,582	0	0	18,582
Total	2,521,571	0	270,409	2,791,980

Explanation of Major Changes:

341,280	Faculty Reallocation - In
250	Postage Base Adjustment
(71,121)	Faculty Reallocation - Out
270,409	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change	2003 Nat'I Ratio Comp	2003 Nat'I Ratio Doc II
Fall Credit Hours	4,599	4,961	5,347	5,917	6,550	7,685	7,778			
Fall Credit Hours % Change	4.52%	7.87%	7.78%	10.66%	10.7%	17.3%	1.2%	69.1%		
Research Grants (\$)	21,000	0	0	0	453	0	49,884			
Publications / Presentations - Faculty	62	17	52	49	40	35	42			
Ratio FTE Std/FTE Fac (Teaching)	16.0	18.1	18.8	21.7	23	21			11, 15	13, 15

Estimated Budgeted Tuition Revenue:

	Competency	Lower UnderGrad	Upper UnderGrad	Graduate I	Graduate II	Total	% of Total
School of Health Sciences Total	0	1,021,236	1,651,353	705,102	1,497,732	4,875,423	4.4%

School of Nursing

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	356,289	356,289
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	3,229,423	(20,162)	878	3,210,139
Fringe Benefits	0	0	0	0
Total	3,229,423	(20,162)	357,167	3,566,428

Explanation of Major Changes:

861,846	Faculty Reallocation - In
442	Minimum Wage Adjustment (students)
436	Postage Base Adjustment
(505,557)	Faculty Reallocation - Out
357,167	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change	2003 Nat'I Ratio Comp	2003 Nat'I Ratio Doc II
Fall Credit Hours	3,607	4,210	4,359	4,924	4,944	7,715	7,353			
Fall Credit Hours % Change	-24.32%	16.72%	3.54%	12.96%	0.4%	45.1%	2.5%	103.8%		
Research Grants (\$)	66,600	419,400	39,600	170,024	51,249	111,900	1,777,153			
Publications / Presentations - Faculty	17	40	37	40	31	44	48			
Ratio FTE Std/FTE Fac (Teaching)	10.9	12.6	14.3	16.3	18	19			9	11

Estimated Budgeted Tuition Revenue:

	Competency	Lower UnderGrad	Upper UnderGrad	Graduate I	Graduate II	Total	% of Total
School of Nursing Total	0	275,293	2,684,510	1,078,011	0	4,037,814	3.6%

Kresge Library

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	63,990	63,990
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	4,084,458	(2,432)	14,087	4,096,113
Fringe Benefits	0	0	0	0
Total	4,084,458	(2,432)	78,077	4,160,103

Explanation of Major Changes:

63,990	Faculty Reallocation - In
13,192	Minimum Wage Adjustment (students)
895	Postage Base Adjustment
78,077	Total Budget Changes

Instructional and Information Technology

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	6,185,225	(291,806)	5,512	5,898,931
Fringe Benefits	0	0	0	0
Total	6,185,225	(291,806)	5,512	5,898,931

Explanation of Major Changes:

5,270	Minimum Wage Adjustment (students)
242	Postage Base Adjustment
5,512	Total Budget Changes

Academic Affairs - Other

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	767,494	0	232,305	999,799
Part-Time Faculty	917,728	0	29,500	947,228
All Other Staff	382,125	0	325,534	707,659
Operating Budget	21,065,501	(548,584)	3,071,363	23,588,280
Fringe Benefits	470,541	0	123,103	593,644
Total	23,603,389	(548,584)	3,781,805	26,836,610

Explanation of Major Changes:

2,539,023	CE and Incentive program increases to reflect growth
696,780	Faculty positions
369,758	Macomb University Center
363,764	General Education Support
228,384	Advising positions (4)
58,461	VPAA Writing Center
53,200	Course Fee (FY 2005 Actual Calculation)
47,150	Position 989341 Grant Officer - Grants Office
27,760	Indirect Cost Recovery
21,878	Position 989341 Grant Officer - Grants Office FB
10,000	Faculty Research
9,999	Faculty Travel
6,475	Operating Base - new positions
4,692	Minimum Wage Adjustment (students)
956	Postage Base Adjustment
(656,475)	Faculty Reallocation - Out
3,781,805	Total Budget Changes

Key Performance Measures:

	Fall 2000	Fall 2001	Fall 2002	Fall 2003	Fall 2004	Fall 2005	Projected Fall 2006	6 Yr Change
Fall Credit Hours	512	580	462	408	436	485	485	
Fall Credit Hours % Change	21.90%	13.28%	-20.34%	-11.69%	6.9%	11.2%	0.0%	-5.3%
Research Grants (\$)	1,515,770	1,875,200	1,867,500	2,835,867	2,483,021	1,426,807	1,161,171	
Publications / Presentations - Faculty						31	31	

Finance & Administration

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	233,493	233,493
Operating Budget	18,039,323	(520,444)	499,947	18,018,826
Fringe Benefits	0	0	108,732	108,732
Total	18,039,323	(520,444)	842,172	18,361,051

Explanation of Major Changes:

342,225	Finance and Administration Reorganization
300,000	Deferred Maintenance
189,843	Fee Replacement Support Allocation - Road, Walks and Lots
4,625	Operating base - new positions
2,788	Minimum Wage Adjustment (students)
2,691	Postage Base Adjustment
842,172	Total Budget Changes

Key Performance Measures:

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Total Staff Headcount	1,380	1,505	1,479	1,292	1,271	1,257	1,262 est.
Total Building Square Feet	2.30M	2.39M	2.88M	2.88M	2.92M	2.92M	2.92M
Campus Crime Statistics							
Part I Crimes	126	105	103	102	130	100	125 est.
Part II Crimes	89	116	126	128	172	264	108 est.
Total Purchase Order Transactions	5,066	5,058	4,919	3,761	2,876	2,945	2,917 est.
Total Small Order Purchase Orders	2,525	4,375	2,825	1,999	2,474	2,206	2,705 est.
Total Procurement Card Transactions	4,476	6,178	7,636	8,736	7,485	7,717	7,800 est.
Total Checks Issued							
Payroll	32,034	32,018	34,090	33,843	29,533	27,700	26,805 est.
Accounts Payable	38,894	37,502	36,385	38,645	35,962	37,849	39,350 est.

Student Affairs

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	3,500	0	105	3,605
All Other Staff	76,055	0	2,282	78,337
Operating Budget	10,958,900	(137,119)	3,317,445	14,139,226
Fringe Benefits	18,904	0	1,221	20,125
Total	11,057,359	(137,119)	3,321,053	14,241,293

Explanation of Major Changes:

1,982,820	Fee Replacement Support Allocation - Rec. Center
652,732	Fee Replacement Support Allocation - Student Activities
474,792	Fee Replacement Support Allocation - Oakland Center
154,632	Fee Replacement Support Allocation - Graham Health Center
32,742	Minimum Wage Adjustment (students)
15,000	Admissions Advisor travel
4,727	Postage Base Adjustment
3,608	King/Parks Day
<u>3,321,053</u>	<u>Total Budget Changes</u>

Key Performance Measures:

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
OU Grads Employment Rate	96%	95%	90%	92%	92%	89%
Student Contacts with Employers	6,802	7,518	7,190	7,132	7,338	8515
Career Res. Ctr. Student Use			2,250			
Orientation Program Attended	3,250	3,593	3,770	3,658	4,019	4216
Retention vs. Non Participants						
COM 101 - 1 Yr.	82-74	75-74	76-72	74-73	75-71	76-69
COM 101 - 2 Yr.	66-62	65-62	66-63	61-60	62-57	
COM 101 - 3 Yr.	59-58	61-58	64-59	58-55		
Connections - 1 Yr.	76-75	75-74	74-72	74-73	75-71	76-70
Connections - 2 Yr.	62-63	59-62	63-63	60-61	64-57	
Connections - 3 Yr.	58-58	56-58	59-59	54-55		
Average Grade in Tutored Crse.	2.47	2.95	2.69	2.85	2.70	2.78
ARC/CMI Retention Rates						
Undecided Majors	73%	73%	70%	77%	71%	69%
OUTAS	97%	97%	90%	96%	87%	88%

University Relations

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	402,539	402,539
Operating Budget	1,822,058	(5,598)	69,891	1,886,351
Fringe Benefits	0	0	158,470	158,470
Total	1,822,058	(5,598)	630,900	2,447,360

Explanation of Major Changes:

500,000	University Relations / Foundation Development Reorganization
61,009	Alumni Relations Comm. Membership Specialist
25,000	OUF Operating
16,000	Consultative/Visionary dinners
15,000	President's Campaign Counsel
6,500	All University Fund Drive
4,058	Annual maintenance - File imaging systems
2,500	Lost Alumni address search
833	Postage Base Adjustment
630,900	Total Budget Changes

Key Performance Measures:

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Gift Assets Received	8,009,200	7,950,000	5,693,300	5,668,700	5,944,146	6,565,005 *	6,000,000 est
% Change From Prior Year - Gifts	15.04%	-0.74%	-28.39%	-.9%	4.86%	10.44%	-8.61%
% Change From Prior Year							
Number of Donors	6,558	6,000	5,687	4,970	5,325	5,212	
% Change From Prior Year - Donors	7.65%	-8.51%	-5.22%	-12.6%	7.14%	-2.12%	-4.07%
% Change From Prior Year							
Cost to Raise \$1 in Gifts	\$0.23	\$0.24	\$0.40	\$0.31	\$0.13	\$0.27	

* \$27.9 million including in-kind gifts

President

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	6,845,344	(640,959)	784,461	6,988,846
Fringe Benefits	0	0	0	0
Total	6,845,344	(640,959)	784,461	6,988,846

Explanation of Major Changes:

269,500	Athletics Support per Recruiting Incentive
262,122	Fee Replacement Support Allocation - Athletics
100,000	Federal Lobbyist
71,937	Fee Replacement Support Allocation - Reserve (former GSF)
55,000	Music Theatre and Dance Student Support
15,810	Minimum Wage Adjustment (students)
6,000	University Years-of-Service Event
2,292	Postage Base Adjustment
1,800	University Employee of the Month Program
<u>784,461</u>	<u>Total Budget Changes</u>

Key Performance Measures:

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Government Relations							
OU Increase in State Appropriation	8.6%	9.2%	1.65%	-3.5%	-7.9%	-1.76%	7.2%
Average Increase Higher Education	5.4%	6.5%	1.5%	-3.5%	-11.3%	-1.76%	1.2%

General

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	14,065,856	(800,722)	5,616,344	18,881,478
Fringe Benefits	0	0	0	0
Total	14,065,856	(800,722)	5,616,344	18,881,478

Explanation of Major Changes:

4,224,565	Increase Compensation Budget
636,988	Purchased Utilities - Net
464,688	Fee Replacement Support Allocation - Parking Reserve
120,000	University Calandar System (Mirapoint) Contract Cost
90,380	Change in Admin. Allocation
90,000	Banner/Oracle/IBM Licensing
24,963	Bank Card Service Fee
(35,240)	Debt Service
<u>5,616,344</u>	<u>Total Budget Changes</u>

AA - Financial Aid

Budget Line Items	FY 2006 Budget	Eliminate FY 2006 One-Time	FY 2007 Budget Changes	FY 2007 Budget
Salaries:				
Full-Time Faculty	0	0	0	0
Part-Time Faculty	0	0	0	0
All Other Staff	0	0	0	0
Operating Budget	9,115,149	0	1,190,259	10,305,408
Fringe Benefits	0	0	0	0
Total	9,115,149	0	1,190,259	10,305,408

Explanation of Major Changes:

1,190,259	Financial Aid increase due to change in tuition rate and enrollment growth
<u>1,190,259</u>	<u>Total Budget Changes</u>

**Oakland University
Schedule of Tuition and Fee Rates
Effective Fall Semester 2006**

Tuition Rate Per Credit Hour or Fee Rate	Current Rate 2006	Proposed Rate 2007	Percent Change
Resident UG Lower	204.75	221.25	8.06%
Resident UG Upper	224.75	242.50	7.90%
Resident Grad	383.00	414.00	8.09%
Resident Doctoral	383.00	414.00	8.09%
Non Resident UG Lower	478.50	515.75	7.78%
Non Resident UG Upper	512.75	552.75	7.80%
Non Resident Grad	666.25	716.75	7.58%
Non Resident Doctoral	666.25	716.75	7.58%
Competency	34.00	34.00	0.00%
MPT Course Fee/Cr Hr	30.00	30.00	0.00%
Orientation Fee FTIAC	100.00	100.00	0.00%
Orientation Fee Transfer	65.00	65.00	0.00%
Applied Music	85.00	85.00	0.00%
Teacher Ed	35.00	35.00	0.00%

Summary comparison of tuition and required fees (exclusive of special course fees)

A) Undergraduate Michigan resident student taking a full 15 credit hour load for two semesters (30 total credit hours):

1) Lower Division:

Tuition	6,142.50	6,637.50	8.06%
Required Fees	0.00	0.00	0.00%
Total	6,142.50	6,637.50	8.06%

2) Upper Division:

Tuition	6,742.50	7,275.00	7.90%
Required Fees	0.00	0.00	0.00%
Total	6,742.50	7,275.00	7.90%

Residential Undergraduate Average

6,442.50 6,956.25 7.97%

B) Graduate Michigan resident student taking a full 12 credit hour load for two semesters (24 total credit hours):

Tuition	9,192.00	9,936.00	8.09%
Required Fees	0.00	0.00	0.00%
Total	9,192.00	9,936.00	8.09%

Oakland University
Footnotes Regarding Proposed Schedule of Tuition and Fee Rates
Effective Fall Semester 2006

Tuition rates are per credit hour and do not vary between semesters.

Special course fees apply to applied music instruction courses, selected courses in the School of Education and Human Services and Masters/Doctoral courses in Physical Therapy.

Competency rates per credit hour do not vary by level nor by residency status.