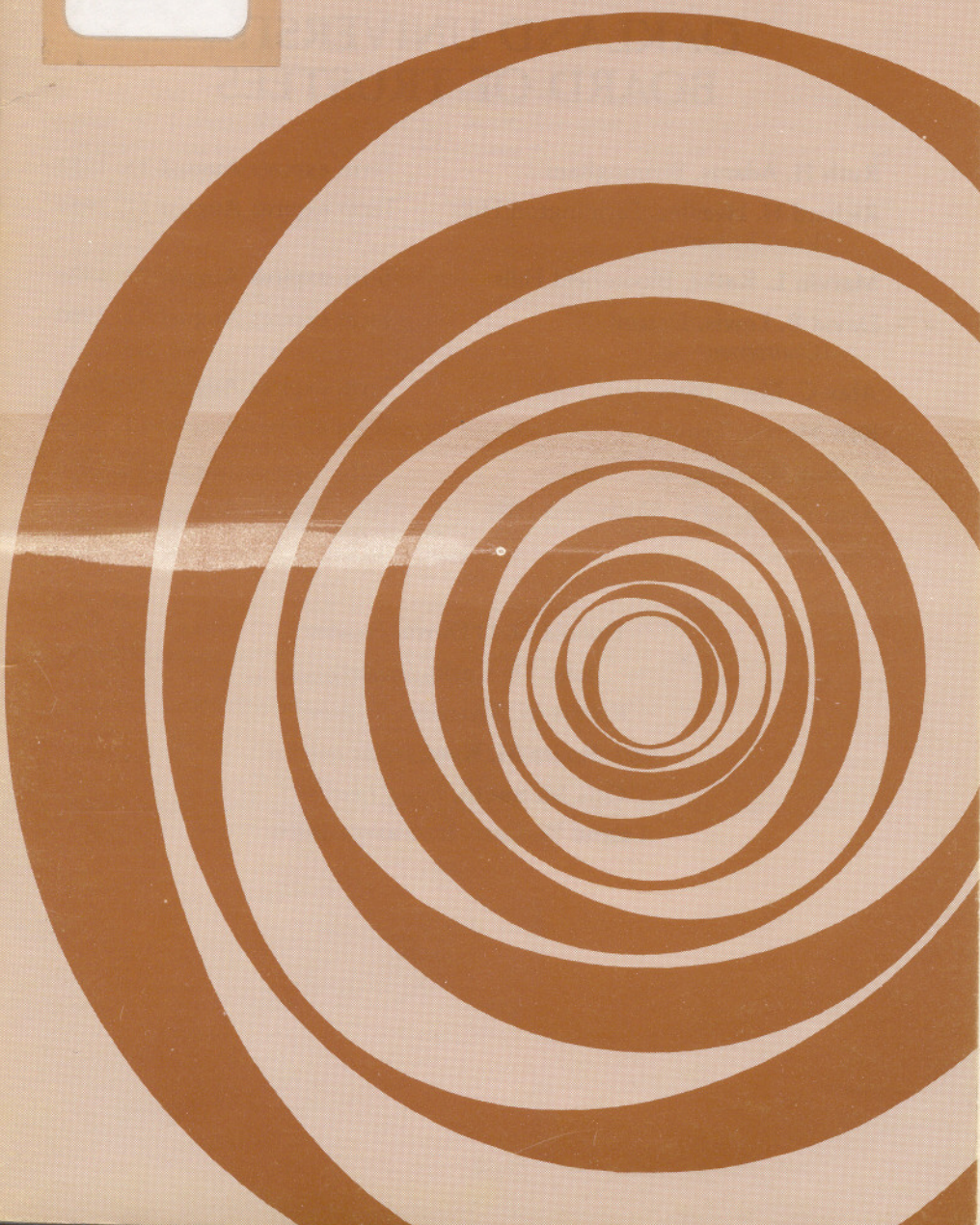


Archives
LD
4142
.0342
A2
1977-78
c.2

Annual
Report
77|78



OAKLAND UNIVERSITY
KRESGE LIBRARY
ROCHESTER, MI 48309-4484
**OAKLAND UNIVERSITY
BOARD OF TRUSTEES**

Ruth H. Adams , Birmingham	Term expires August 11, 1982
Richard H. Headlee , Farmington Hills (<i>Vice-Chairperson</i>)	Term expires August 11, 1984
Marvin L. Katke , Bloomfield Hills	Term expires August 11, 1986
David B. Lewis , Detroit (<i>Chairperson</i>)	Term expires August 11, 1980
Alex C. Mair , Bloomfield Hills	Term expires August 11, 1986
Ken Morris , Troy	Term expires August 11, 1982
Arthur W. Saltzman , Franklin	Term expires August 11, 1984
Alan E. Schwartz , Bloomfield Hills	Term expires August 11, 1980

Donald D. O'Dowd, *President*

John De Carlo, *Secretary*

Robert W. Swanson, *Treasurer*

Mrs. Roger M. Kyes, *trustee emeritus*

Otis M. Smith, *trustee emeritus*

Leland W. Carr, Jr., *trustee emeritus*

NON-CIRCULATING

Introduction

By nature, annual reports are reflective; they summarize events of the past year. Yet perhaps the most significant accomplishment within the university this past year was one which enables this annual report to focus on the future rather than be retrospective.

Early in 1978, a 17-member Long Range Planning Committee unveiled a planning document which charted the direction of university progress for the next 15 years. The Fifteen-Year Plan is a far-reaching assessment of where Oakland should be in 1993 and how to get there.

Endorsed by the University Senate and the OU Board of Trustees, the Fifteen-Year Plan is the cornerstone of a massive planning effort that has been underway at Oakland for several years. The Fifteen-Year Plan builds on other planning documents which have emerged in recent years.

The Fifteen-Year Plan focuses on university development in the 1982-1992 period, while other university documents concentrate on specific plans for the next five years. The shorter-term planning documents include a five-year university goal statement and five-year plans for each of the operating divisions within the university. Each of these planning documents—The Fifteen-Year Plan, the University Five-Year Goals, and the Five-Year Division Plans—are written to be consistent with the University Role and Mission Statement. As part of the planning efforts in 1977-78, the Role and Mission Statement was revised.

Because of their importance to the development of the university, the revised Role and Mission Statement and the Fifteen-Year Plan are the core of this annual report. Part one features particular accomplishments of the past year in three of the areas which figure prominently in the Fifteen-Year Plan. These features are included to demonstrate that Oakland intends to treat the Fifteen-Year Plan as a working document and is already making strides toward 1993 in many areas. The Role and Mission Statement is published intact in part two of this report. In part three, the Fifteen-Year Plan is summarized. The final two sections of the report are highlights of other university accomplishments during 1977-78 and the detailed financial statement of the university for the fiscal year.

Contents

Part One: Toward 1993

Internships Conserve Energy and Fuel Oakland County Efficiency.....	3
Federal Support for OU Research and Education Reaches New High...	6
Honors College Notches Healthy First Year	8

Part Two: The University Role and Mission Statement..... 10

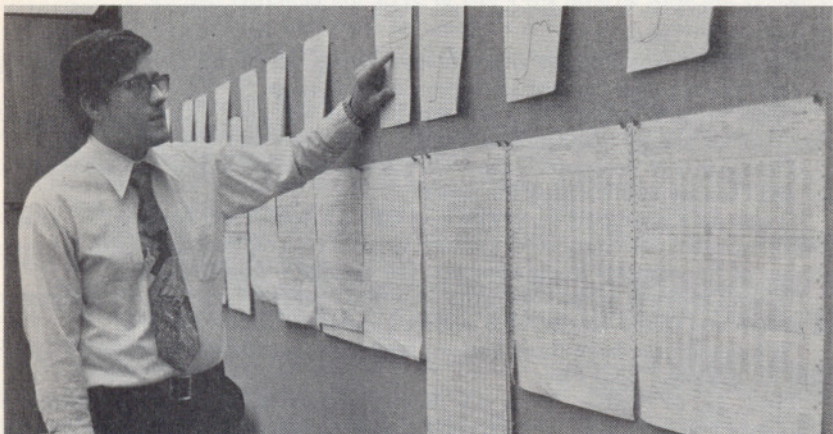
Part Three: Summary of the Fifteen-Year Plan 15

Part Four: In Retrospect

Administrative Highlights for 1977-78	22
Financial Statement for 1977-78	25

PART ONE

TOWARD 1993



Former intern Ron Pless reviews one of the energy charts he maintained in the "war room" at Oakland County's Facilities and Operations Division.

Internships Save Energy but Fuel Efficiency

Recognizing the importance of "learning by doing" for students, Oakland University's 15-year goals prominently list internships. Already, the university has developed a commitment to field work. For example, political science majors serve legislative internships, and journalism and communication arts students work for advertising agencies, newspapers, and radio/TV. These opportunities join the traditional clinical requirements in areas such as nursing and medical technology.

Student interns are not the only winners; employers also benefit from student contributions.

The following story illustrates the typical give-and-take of internship situations. Appropriately, it was written by an intern in the OU Public Relations Office, Micki Harding.

Student initiative, county cooperation, and a \$160,000 federal grant saved Oakland County nearly a quarter million dollars in energy costs last year.

OU student Roland (Ron) Pless laid much of the groundwork for the energy conservation project during his internship with the county Facilities Maintenance and Operations Division.

Pless' research on energy usage patterns led him to recommend purchase of an energy-saving device called a capacitor.

Three other OU interns in Facilities and Operations have since built upon this energy-monitoring foundation, and a fourth designed a pilot system for materials management in Inventory Control and Warehousing.

The Facilities and Operations interns represent only one-sixteenth of the total Oakland County/Oakland University Student Internship Program funded by Title I, Comprehensive Employment and Training Act of 1973 (CETA). Enrollment in the county internship program numbered 33 last year in areas ranging from alcohol highway safety programs, circuit court, and manpower programs to social services.

The energy conservation story begins in May 1976, when Pless was assigned to analyze the electrical load and electric bills for the county complex. He discovered Edison imposed stiff penalties for inefficient power use. "I found the county power factor was too low, so I researched and recommended the power factor correction (the capacitor)," he says.

The capacitor is a device which holds or stores an electric charge, minimizing the costs of surges of current for large electrical users.

"This project resulted in a \$25,000 savings per year," says Neil Persinger, supervisor of energy management interns in Facilities and Operations.

Pless not only determined the need for this instrument but also specified the size and capacity and initiated the order.

"I also did a relamping survey on low-wattage fluorescent lighting," says Pless. "I recommended switching from 40-watt to 35-watt, and they did." With the great number of fluorescents in the complex, the savings were substantial.

When a problem in the auditorium stumped county contractors, Pless reviewed the design and found an electrical overload coming into the building.

"If I would have been there longer, I could have accomplished more. I was only there six months," adds Pless.

Pless, 28, of Pontiac, has a B.S. in engineering from Lawrence Institute of Technology and is working on a second B.S. in management at Oakland. He resigned his internship to accept a full-time position as project (electrical) engineer with TMP Associates Incorporated of Bloomfield Hills.

Coincidentally, one current assignment spread before him on his drafting board is the design for the new Oakland County executive office building.

"He (Pless) was ideal for energy management because of his engineering interest and education," says Persinger. When an intern is interviewed, "first I find out what the interests are, then I design (the internship) around his interest.

"Ron produced the first significant result for the internship program and set the pace for the future," says Persinger.

The more than \$235,000 savings in energy costs resulted from reducing the amount of natural gas, fuel oil, and electricity used to heat, cool and light the 37-building complex.

Figures released by the county showed there was a 24-percent decrease in natural gas consumption last year, a 28-percent decrease in fuel oil and a 6-percent decrease in electrical usage.

But an engineering background is not a requirement for internships with this county department, explains Harvey Hohausser, an associate director in the OU Urban Affairs Center. The center sponsors the internship program in which students are paid while they receive on-the-job management training and experience in a government office.

Pless' successors included liberal arts majors. English major Gary Schleuter, 32, found a Water Department billing error. "He was a good fellow with numbers," says Persinger. The county received an \$1,800 credit for the overcharge.

The county energy conservation program centers on monthly audits of energy use. The audits assist the county executive, the Board of Commissioners, and other government decision makers in their efforts to reduce energy consumption.

That is why Facilities and Operations interns spend much time in the "war room," a large rectangular conference area used for "number-crunching" and brainstorming. The two long walls are covered with charts and graphs, small and large,

depicting jagged peaks and deep valleys as well as gradual smooth curves. One wall is filled with the work of interns alone.

Intern Timothy Voss discovered a water leak in a building in the complex. Voss, 30, a political science major from Pontiac, is responsible for keeping the numerous charts and graphs in the war room up to date. He noticed an unusual increase in water consumption in Children's Village and brought it to Persinger's attention.

"The charts are important," says Persinger. "Management follows through on all surveys by interns. We could not do all of this if the interns were not available."

A new chart showing variations in monthly natural gas consumption and a form to forecast demand for the first 100 days was designed by another student intern, Timothy Kalyvas.

Twenty-four-year-old Kalyvas, a psychology major from Auburn Heights, did a statistical analysis of natural gas usage. The first 100 days' consumption sets the rate for the remainder of the year, says Persinger.

There are stiff penalties imposed for use over the contracted amount. "It's \$1,000 per MCF (a thousand cubic feet) over limit," says Kalyvas.

"He designed a powerful tool for management—and without a statistical background!" remarked Persinger.

The interns' attitudes impress Persinger the most. "They do a fantastic job," he says. "Not one has said he can't do it, or it's not in his field. They accept the challenge; they dig in and conquer."

Persinger encourages the interns to be creative. In response to this challenge, Kalyvas designed an energy attitude survey to be administered to county employees. "We want to know their attitudes on (energy) conservation," he says. "Some people don't want to give up their 79 degrees or even believe there is an energy crisis."

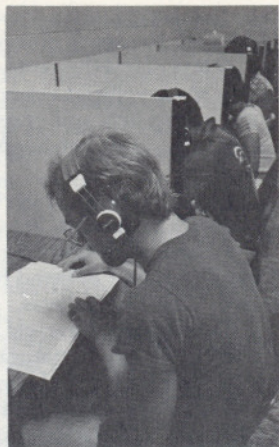
Kalyvas feels his work as an intern is valuable to the county.

"I saw it (the internship) on the bulletin board and answered the ad," he says. "I'm glad I did. It's the best thing that has happened in my whole education!"

However, not every intern's contribution can be measured in dollars.

Marketing major William Walker, 22, of Pontiac, was assigned to Inventory Control and Warehousing, where he set up a pilot system for materials management. The plan was to move Walker around to experience the different parts of his model.

But Walker's plan was so impressive, Persinger recalls, "right after he finished the model, General Motors of Flint hired him as materials manager."



External funding supports diverse projects: (left) Meadow Brook Theatre presented "The Male Animal" in outstate Michigan with a grant from Michigan Council for the Arts; (center) student Beverly Kubersky prepares cancer media for cancer research; (right) students use the Skill Development Center.

Support for OU Reaches New High

The Fifteen-Year Plan calls for "aggressive action" by OU faculty and staff to lure grant and contract support for university research and programs. Even in 1977-78, the level of federal support to OU soared, with research grants alone topping 1.2 million dollars and total grant and contract support reaching \$3.8 million.

Help from government funding last year enabled Oakland University people to study human sleep, perform significant biomedical research, take professional theatre on the road, and train older people to counsel their peers.

External funding for research, educational, and developmental projects at OU increased 41% in fiscal 1977-78. Leading grant-getting areas were Student Affairs, Continuing Education, Education, Urban Affairs, Institute of Biological Sciences, Chemistry, Biological Sciences, Engineering, and Psychology.

As the level of research support grows, more and more students have the opportunity to collaborate with faculty, says Lewis N. Pino, director of research and instructional services at OU.

"Research funding impinges on the instructional program in a nice way. It's common for research grants to include funds for student involvement," he adds. "These students are not just dishwashers or pairs of hands, but junior colleagues."

Pino says the totals are up because Oakland University is becoming increasingly more complex. "We're also taking more shots on goal by sending more proposals in—and we're making pretty good shots."

The big news in OU research, Pino notes, includes three new projects in psychology. While natural science disciplines such as biology and chemistry have a research record that goes back to the beginning of OU history, grants for social science research have been more scarce. The psychology grants represent the first external funding for research in that department.

Psychology research grant topics are "Aging and the quality of human sleep" (Assistant Professor Harold Zepelin, principal investigator), "Children's behavior during interpersonal conflicts" (Associate Professor David W. Shantz), and "Sex as an attributional fact" (Associate Professor Virginia E. O'Leary).

Zepelin's research began with internal "start-up" funding from the University Research Fund. Similar funds exist for biomedical research and for undergraduate research.

"Getting the first grant is particularly important," says Pino. "It's almost like the insurance business—once it gets going, there's a good chance of continuing funding."

Another research grant highlight in 1977-78 was a study by Assistant Professor Alfred Stransky and St. Joseph Hospital of the effect of changing exercise and diet patterns on 15 people who have had heart bypass operations.

In addition to research funding, the university also receives grants for developmental and training purposes. Developmental grants aid in implementing programs, while training funds prepare people to meet external expectations.

Major recipients of developmental and training grants in 1977-78 were the TRIO program and Upward Bound, continuing programs administered through the Student Services area of the university.

The training grant for Upward Bound allowed the university to prepare 110 students for college in a program for young people from low-income backgrounds and inadequate secondary school preparation.

A developmental grant for the TRIO (Special Services for Disadvantaged Students) program provided funds to continue activities in the Skill Development Center and Summer Support Program. The Skill Development Center served 302 students, and the Summer Support Program reported 98 percent of the summer students established averages of 2.00 (41 percent had 3.00 or higher). More important, 91 percent of these students maintained 2.00 averages or higher in academic-year courses.

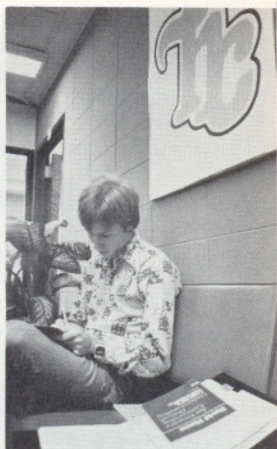
Another significant development grant was \$222,400 from National Science Foundation for Comprehensive Assistance to Undergraduate Science Education (CAUSE).

The human resources development program of the School of Education actually began with a U.S. Labor Department developmental grant. In 1977-78, the School of Education received a continuation of a manpower development grant for \$150,000.

Through training grants, from two national organizations, the Continuum Center offers peer counseling to senior citizen groups.

Some other projects bolstered by grants in 1977-78 were:

- Development of the Communication Arts Department with funding from ABC and WXYZ-TV.
- Assistant Professor of Management Douglas Gregory consulted with Henry Ford Hospital on management systems.
- The Meadow Brook Theatre tour programs, funded by Michigan Council for the Arts.
- Student internships in Oakland County through the Urban Affairs Center (see story, page 3).



(Left) Students review slides for Life in the Oceans, an Honors College core course. (Center) Honors College student Lenora Ledwon displays a costume from Slavic Folk Ensemble, one of her many extracurricular interests. (Right) James Szocik studies in the Honors College lounge.

Honors College Notches Healthy First Year

The Fifteen-Year Plan places high value on honors programs. Oakland University launched an impressive entree when the Honors College enrolled its first class in fall 1977.

The new Honors College at Oakland University has been recognized as a niche for "the most ambitious and inquisitive" students.

But the term "exceptional students" is missing from the program description. Director Melvin Chernobel believes the Honors College is more nearly "a program of excellence that symbolizes what the university is."

The Honors College served 33 students in fall 1977, and three more joined the group in winter 1978. All but six students were freshmen at Oakland.

Honors College students take a special general education program in addition to their regular academic majors. The four core courses expose students to the practices, techniques, and problems of four widely separated fields.

Rather than being survey classes, the core courses focus on the specialties of the hand-picked faculty teaching them. Core courses in 1977-78 were a class on Hemingway and his critics and a wide-reaching introduction to anthropology, complete with detailed field projects. Fall 1978 core courses were a study of scientific and nonscientific ways of thinking and a laboratory science course on life in the oceans.

All Honors College students must complete an independent project that may range from traditional to interdisciplinary research or a creative effort.

In addition to their regular academic majors, Honors College students also must take three advanced courses outside their major areas, a senior colloquium, a foreign language proficiency test, and an oral examination.

Almost all of the charter Honors College class graduated in the top 10 percent of their high school classes, with approximately half in the top two percent, according to Chernobel.

Honors College freshmen's scores on the American College Test were equally impressive, with almost all in the top 12 percent of college-bound seniors nationwide and some two-thirds in the top eight percent. About two-thirds held merit

scholarships during the year. The six nonfreshmen in the charter class all had OU grade point averages above 3.70.

Yet high grades and test scores do not assure admission to the Honors College. "We want students with some standard of excellence in some aspect of their lives, but we've turned down valedictorians if they seem to be follow-the-leader types," Chernov says. "We're most happy with students who show excellence in several areas; for example, who have won awards in biology and tennis."

Chernov has noted versatility in Honors College students which he terms "fascinating. Many have two academic interests widely separated or academic and extracurricular interests." He cites one student who couldn't decide at orientation whether to major in physics or music. Another incoming student's test scores and grades were below the norm, but these were balanced with award after award in forensics and science.

"Honors College students have broad interests and a good sense of humor," Chernov notes, "but some are diamonds in the rough. Some have taken learning skills classes."

Only one-sixth of the Honors College students at Oakland fit the old notion that honors programs are for students majoring in humanities and arts. In fall 1977, approximately one-third intended to major in biological or health sciences; one-fourth expressed interest in engineering, computer science, or mathematics; and another fourth in management or social sciences.

And although the Honors College is housed in the College of Arts and Sciences, about one-fourth of Honors College students last year were in programs offered by the professional schools. By the end of academic year 1977-78, one student had shifted majors to nursing, representing a move to one of the most prescribed curricula at the university.

Although several earlier attempts to organize an honors program failed, Chernov says a six-member committee hammered out most of the details of the existing program in eight hour-long meetings in winter 1976.

"We assumed the program would accommodate professional as well as arts and sciences students. We didn't want to require so many courses as to keep people away," he says.

"We also wanted to stress 'junior collegiality.' The Honors College tries to do on an undergraduate level what's often done on the introductory graduate level—bringing students directly into scholarship instead of just taking courses."

In further recognition of junior collegiality, the Honors College Council now includes students. By 1979-80, three students will have joined the council, which admits students, selects faculty to teach core courses, considers student concerns, and decides on the program.

Chernov says this strong student position is valuable in many ways. "For instance, students can often interpret high school students' dossiers like faculty can't," he notes.

Individual accomplishments of the first Honors College class include receiving prestigious scholarships and attending regional and national honors organization meetings. In addition, one student was among 40 chosen nationally to attend a United Nations study semester in New York in fall 1978.

"I'm enormously impressed by the way students operate at national meetings," Chernov says. "I think our Honors College students are the match of those at any other school."

Chernov foresees few changes over the next 15 years. "Bringing in 60 students per year might be optimal; then we could offer each core course each semester. Our optimum enrollment would be 225 students.

"These students will start making an impression on OU at large. Honors College is an exemplar for the rest of the university."



PART TWO

OU ROLE AND MISSION STATEMENT

INTRODUCTION

Oakland University provides high-quality education at the baccalaureate, master's, and doctoral levels primarily to citizens of Michigan. The university has a commitment to emphasize liberal education for each of its undergraduate students within the context of presenting preprofessional and professional studies as well as traditional liberal arts curricula. Special encouragement is given to research and scholarship by faculty members with emphasis on the inclusion of students as research colleagues whenever possible. The university serves southeast Michigan by bringing the skills of faculty and staff to bear on the solution of area-wide problems. A unique service of the university is sponsorship of professional performing arts programs for area citizens.

The location of Oakland University in the northern section of the Detroit metropolitan area gives it great advantages. It can provide for faculty and students in a relatively small geographic area the stimulation of growing and changing urban, suburban, and rural environments. Very few U.S. universities have such immediate access to a full spectrum of the issues, problems, and opportunities of a changing society.

The northern section of metropolitan Detroit is transforming from a set of separated exurbs and aging towns to a matrix of expanding urban concentrations linked by a network of transportation and communication facilities. The area of primary engagement for Oakland University—embracing Oakland, Macomb, and Wayne counties—is more rich and varied than many states of the federal union. Exceptional features of the area include a wealth of industrial and commercial installations; a complete range of governmental, social, and medical facilities; strong cultural institutions; and ethnic and socioeconomic diversity. In addition, the area is experiencing marked shifts in population and growing political significance in the

state. Oakland and Macomb counties contain a varied set of community and four-year colleges in addition to Oakland University, the only graduate-level institution, but the area does not have a surplus of facilities or services for postsecondary students.

The characteristics of the area provide students with opportunities to observe and work during the course of their studies in many nearby industrial, governmental, and social-service settings. Faculty and staff research can draw upon area resources, and faculty and staff service can bring knowledge to bear on the inevitable problems generated by growth and change.

Oakland University is situated ideally to provide students from throughout Michigan and the nation with a challenging education based in a dynamic metropolitan area. The university is shaped by its location in a rich and complex social context and, in turn, acts on its environment to assist in ameliorating the pressures of social change.

GUIDING PRINCIPLES

Two major themes converge and blend in the university. One theme is maintaining high academic standards in teaching and scholarship. The other theme is extending the intellectual and professional capabilities of the university to serve the complex surrounding area. There is an inherent tension between these two purposes. One derives from the long tradition of objective scholarship while the latter is based in the service obligation of a public university. A major challenge to the university is to preserve both of these principles and to attain a constructive and reinforcing balance between them.

When the credit instructional program of the university began in 1959, limited to undergraduate students enrolled primarily in arts and sciences courses, a series of guidelines was discernible in the academic program. First priority was given to selecting a faculty of young persons who were dedicated to teaching, capable in research, and eager to shape a new university. The new faculty designed a curriculum that required most students to devote a large part of their course work to a limited set of courses and thereby share a common academic experience. Academic standards were high, moderately selective admission criteria were established, and traditional extracurricular activities were discouraged. In 1965 the university established instruction at the master's level. In 1966 a further decision was taken to expand the university to a medium-size comprehensive status that would embrace—in addition to the College of Arts and Sciences—a series of professional schools. These latter two decisions increased emphasis on research and scholarship as essential pursuits of faculty members, who would foster disciplined academic inquiry in their students. In addition, the obligation of public service became more central as increasing numbers of faculty members who were closely allied to professional practitioners joined the staff.

The developing complexity of the university, in terms of levels of instruction and growing breadth represented by new fields of study, was accompanied by rapid growth in enrollment. By the late 1960s, two features of the early emphases were changing. First, the requirement of a common academic experience for all students was dropped gradually and the need for extracurricular opportunities was acknowledged. Otherwise, the earlier commitments to excellent faculty, rigorous standards, and student selectivity were joined successfully to newer emphases on scholarship and service.

Both earlier and later values of the university were expressed in the search for effective ways to attract and educate economically or educationally disadvantaged students and nontraditional students. In both situations an obligation to the area required extraordinary effort to adapt curricula to students and prepare students for academic challenges.

The university today persists with its original philosophy. Underlying its endeavor for balance and its setting of priorities is recognition of principles about the functions of a university and about the relationship of Oakland University to the society that created and maintains it.

Collectively, the principles that express both what Oakland University is and what it continually strives to become may be summarized by the following formulations:

1. Among the numerous institutions of society, the university is unique in its commitment to and active engagement in the processes of systematically creating, preserving, and transmitting knowledge. The university recognizes orderly inquiry by students as well as by faculty as primary activities and recognizes organized intellectual discourse as its distinguishing character.
2. Distinctions between the pure and the applied, while useful in some analytical contexts, are harmful if they serve to separate the liberal and professional modes of education and research. The university values equally the acquisition of knowledge and the effort to use that knowledge to solve problems that affect individuals and polities. Thus, while academic discipline is primary in the university, the definition of "academic" is not constricted. Rather, the university construes a continuum of disciplines that includes the professional with the liberal.
3. Utmost attention to enhancing the qualities and uses of disciplined intelligence is required in formal education. The basic educational strategies of the university are traditional, but its tactics must be flexible so that the educational process is responsive to the transience of student and societal needs. In close student-faculty relationships that occur outside as well as within the classroom, the instructional process must respect the high degree to which learning is personal and to which it occurs most readily in settings as well-suited as possible to the individuality of the students.
4. Students who have had limited opportunities for intellectual and cultural development but who have a desire to learn can acquire valuable skills and attitudes from a broad, general education and from emphasis in learning placed on conceptual as well as on practical formulations. Ideally, these educational emphases prepare students for broader career opportunities and richer lives and impart competencies that prepare students to aspire to and succeed in future endeavors not yet envisaged during the college phases of formal education.
5. The differences within the student body are a great asset to the university and are fully as deserving of attention and care as the similarities. The university must welcome and nurture the rich variety of its students and student groups so that they better understand themselves and those around them and so that they grow in compassion as well as in competence.
6. The university is very much of and within its society; as such, it has a responsibility to respond thoughtfully to the needs of that society and to bestow its resources as generously and equitably as possible as long as its primary academic function not only is preserved but facilitated.
7. The university has concern for the personal and emotional growth of its students, especially since their university years frequently coincide with critical developmental periods. It is appropriate that a variety of programs and services be maintained in the university to assist in the growth of personal integration in the lives of students in order that they be prepared for learning and ultimately to serve society.

ROLE AND MISSION

Oakland University is a state-supported institution of higher education. The key elements of its role in the state are:

1. To offer instruction leading to degrees at the baccalaureate, master's, and doctoral levels, and in noncredit continuing education. Programs will be offered as determined by social and academic needs, as its resources permit, and as consistent with its educational principles.
2. To serve primarily student populations from the state of Michigan; to make its offerings accessible to all who have the ability and desire to benefit from them; and to provide encouragement and support for the special needs of minority, part-time, working, commuting, transfer, and handicapped students.
3. To sustain and encourage in cooperative undertakings with other educational, governmental, commercial, community, and labor organizations in order to provide appropriate instruction and services that would not otherwise be available and to avoid unnecessary duplications of effort.
5. To serve its area and the state as a cultural, intellectual, and recreational resource; to provide leadership in the development of cultural and civic endeavors as the special competencies of the faculty and staff can be brought to bear on local, state, and national concerns.

Several elements give Oakland University a distinctive character and, together with the traditional aspects of its program, constitute an exciting blend of features. Among the special characteristics of the university are these:

1. Only students of good academic potential are admitted to the university.
2. The student body is heterogeneous with a stimulating mixture of persons from different racial, ethnic, and cultural backgrounds as well as persons of different ages and geographic origins.
3. The university stresses high academic standards.
4. The university has a powerful tradition that emphasizes liberal education in all undergraduate programs.
5. Courses at the undergraduate level are taught by faculty members except in special circumstances.
6. The faculty is dedicated to creating new knowledge through active participation in scholarship and research.
7. Faculty frequently include undergraduates as junior colleagues in research and in other scholarly endeavors.
8. The location of the university in northern metropolitan Detroit provides an advantageous environment for education.
9. The Meadow Brook cultural activities, including the festival, theatre, art gallery, and hall are unique assets of the university as are the 1,500 acres of scenic grounds that it occupies.

THE FUTURE

It is a goal of Oakland University to grow slowly but steadily in enrollment in the years ahead. A modest projected growth rate leads to the expectation of an enrollment of 10,000 full-year equated students (FYES) in the early 1980s and 11,000 FYES by 1993. This growth is predicted despite awareness of an anticipated sharp decline in the number of high school graduates after 1980. Growth is possible for Oakland University because of the quality and continuing development of its course and program offerings and because rapid population shifts are bringing to the area large numbers of people who need education services.

A parallel goal is to examine every academic offering of the university to assure that standards of quality are high. Simultaneously, an energetic program has been launched to attract to the university a large percentage of undergraduate and graduate students who have high academic potential.

A third major theme of future university development is a commitment to increase its impact on the metropolitan area. A series of curriculum developments, research programs, and public-service institutes will be designed to bring faculty and student capabilities to bear on important local issues.

These three general goals can be summarized by stating that Oakland University plans in the immediate future to strengthen its programs, services, staff, and student body during a period of gradual growth.

In the undergraduate program, there will be some growth in the traditional, daytime student enrollment, but most of the growth will come from nontraditional students who will seek evening and weekend learning opportunities. The College of Arts and Sciences will develop new departmental emphases responding to students' current career orientation, and it will generate interdisciplinary concentrations that will greatly enrich the scope of its program alternatives.

The human-service programs of the School of Education will continue to attract growing enrollments as the public demand for highly specialized teaching and counseling continues to grow. Considerable growth is also expected in the School of Engineering and the School of Economics and Management, which have yet to add some of the major professional concentrations to their programs.

The School of Nursing is just beginning to address the needs of the less-than-baccalaureate registered nurse for further education. The Center for General and Career Studies has a large area of service to nontraditional students that it is also just beginning to explore. In addition, the health sciences and industrial safety areas are in the early stages of development and have noteworthy growth potential.

Several additional areas of program development are under study and may be initiated within the next few years.

In noncredit continuing education, many new programs will be developed in response to the needs of professional persons for refresher and enrichment course work to meet continuing licensure requirements.

Oakland University will also change in its postgraduate activities because both external and internal needs are pressing. Some existing master's programs are now undergoing study and modification. New master's programs will appear in some measure to fill lacunae in traditional areas and to reflect adjustments for new needs and priorities. More prominently, the new programs will be of a practitioner type, designed especially for job-holding, part-time students.

For a decade Oakland University has deliberately constrained its aspirations for traditional doctoral programs. It is seeking, instead, a form of institutional specialization calling for broadly interdisciplinary programs designed not only to make the best use of university strengths, but to address prevailing needs and problems. Oakland University is by now expert in the knowledge that such programs are not created easily, but it will persist because it believes the concept is sound. The existence of such programs would enhance scholarship and, by design, assure that its graduates would be distinctive and useful citizens.

It is anticipated that a number of campus building remodeling and construction projects will be undertaken in the next few years. Plans are complete for a new classroom-office building, planning is well under way for a major expansion of the library building, and preliminary work has been done on a new building to accommodate several science departments. Additional remodeling and construction projects will be developed to accommodate the increasing size and scope of the university. Part of this expansion of facilities will be financed from private and corporate contributions to be raised in a future capital fund campaign.

Oakland University recognizes both the enterprise and the uncertainty implied by these predictions. Nonetheless, it believes the directions to be rational and correct and that the outcomes will be realized. The general objectives of the university have remained intact over the years, and its educational principles have proved durable and valid. The task before the university is to continue its response to the ever-changing needs of the metropolitan area while seeking fulfillment as a vital and distinctive center of learning for the state.



The Fifteen-Year Plan emphasizes internships, use of the computer, and enrollment growth of two percent per year until 1982 and one percent thereafter.

PART THREE

SUMMARY OF THE UNIVERSITY FIFTEEN-YEAR PLAN

EDITOR'S NOTE: This section highlights some of the central items in the University Fifteen-Year Plan. Copies of the plan, along with some historical information on the university, the University Role and Mission Statement, and the University Five-Year Goal Statement, are available by writing or calling the OU Public Relations Office, 109 NFH, Oakland University, Rochester, MI 48063, telephone (313) 377-3183.

The University Planning Committee (UPC) was established in 1976 to examine the long-range future of the university (five to 15 years). Impetus for establishment of the committee came from a desire to expand the planning program that began in 1973, from renewed faculty interest in planning triggered by suspension of the classics major and the Academy of Dramatic Art in 1974, and from concern about the future because of rapidly changing state demographic patterns.

Chaired by Oakland University president Donald D. O'Dowd, the planning committee membership included student, faculty, administrative-professional, and alumni representatives, along with several academic administrative staff.

Members of the University Planning Committee at the time the Fifteen-Year Plan was published were President O'Dowd; George T. Matthews, vice-provost (vice-chairperson); Frederick W. Obear, provost; Reuben Torch, dean of the College of Arts and Sciences; David C. Beardslee, director of institutional research; Robert J. McGarry, controller; John E. Tower, assistant dean of the School of Economics and Management; Edward J. Heubel, professor of political science; Sidney W. Graber, professor of education; Renate Gerulaitis, associate professor of German; Elizabeth Titus, assistant professor of the library; Paul Tomboularian, professor of chemistry; Donald I. Warren, associate professor of sociology; Mary L. Wermuth, alumna; William Grasha, alumnus; Jeff Leitson, student; and Craig Stutzky, student.

CURRICULAR DEVELOPMENT

During its first two decades of operation, Oakland University has developed a comprehensive academic program that includes training at both the undergraduate and graduate degree levels in a College of Arts and Sciences and several professional schools. The Fifteen-Year Plan emphasizes continued development of existing programs and notes opportunities for entirely new curricular ventures for the university. More importantly, the document concentrates on shifts in emphasis that will strengthen the academic program in light of emerging patterns in society.

For example, the plan notes the need to develop programs which merge academic training and practical work experience, such as work-study programs, cooperative education, and work-related internships. In spite of the high costs of these work-opportunity studies, the Fifteen-Year Plan maintains that the returns are substantial because these programs will attract many well-qualified students to the campus.

In another area, the plan emphasizes that the computer should become a central ingredient in the education of all students. Because the computer is an instrument of great power that already pervades all walks of life and will continue to expand its importance in society, it should play a role in every aspect of the curriculum. Every student, regardless of major, should understand the role of the computer in academic and professional fields and be comfortable using it or directing its use by others.

Partly in deference to the impact of computers and other technological forces on life today, the current university general education program should be scrutinized, according to the plan. The plan notes a dual role for general education. On one hand (especially for students in the professional schools), general education courses should impart cultural tradition. Yet for students with majors in the College of Arts and Sciences, general education must also keep pace with contemporary forces such as the computer, statistical analysis, world economy, mass media, and the environment.

The plan notes several technical items that will strengthen the university program. One is the possible shift of the current standard course value from four to three credits to permit more general education opportunities as well as broadening curricula in all areas.

Another is the need to continue to accommodate nontraditional students by adding new extension centers. Sites noted in the plan include the regions west and south of Pontiac and east of Utica (editor's note: new extension centers in Farmington and Utica were opened in fall 1978 as the first step in this effort). Additional changes would add weekend courses in some areas and professional licensure courses in other areas.

At the graduate level, the plan also notes several general guidelines for development. Future graduate offerings should acknowledge the changing and nontraditional student populations and be geared especially toward employed students. Master's degree programs should strengthen the skills of persons employed full-time in professional fields.

Three to five new doctoral programs should be developed. The doctoral programs should not duplicate others in the state, they should serve a proven need, they should serve small numbers of students, and they should be planned with regard for employed part-time students, if possible.

Finally, the plan advocates a basic commitment both to basic education and to honor programs in the next 15 years. The honors concept—initiated in the College of Arts and Sciences in 1977—should be expanded to other curricular areas and to departmental courses. On the other end of the spectrum, a compulsory program of basic skill training in reading, writing, and using numbers should be strengthened. Linked to the basic skill instruction would be an entry-year program, which would also provide orientation and career advising, potentially improving student retention.

SPECIFIC PROGRAM CHANGES

Within the general curricular framework noted above, the Fifteen-Year Plan identifies a number of potential program developments in each of the existing academic units.

In the College of Arts and Sciences only one undergraduate department—geology or earth sciences—is likely to be added. Some new interdisciplinary concentrations will emerge from complementary fields over the next few years. Several additional master's programs and at least one doctorate should also win approval.

Various new undergraduate special fields, an expanded master's program, and possibly a doctoral program should develop rapidly in the School of Economics and Management.

The School of Education must be alert to possible improvement in teacher placement opportunities in the 1980s, and the impact that such a development would have on both enrollment and program offerings in the school. New concentrations in the human resources development program will form as state human service needs change, and graduate programs will develop gradually, closely matching legislative mandates for new education services and changing demands for special in-service education.

The bachelor's and master's-level course range in the School of Engineering will expand. A master's program in computer and information science, approved in fiscal 1977-78, was an important first step in this process.

The School of Nursing should offer a master's program within a few years, while the undergraduate program adjusts to provide courses for increasing enrollments of registered nurses who do not hold baccalaureates.

Bachelor's and master's programs in performing arts can all develop during the next 15 years within the School of Performing Arts. Demand for professional training in music, theatre, and dance is high.

The Center for General and Career Studies will play a significant role as the Bachelor of General Studies degree gains in importance. Community college graduates will have more two-plus-two options. In addition, the basic skills training imparted through the Department of Learning Skills will become a central curricular element.

New health sciences specialties will evolve, and programs in physical therapy and industrial health and safety are imminent already. Curricular expansion will broaden the Center for Health Sciences to school status within five years.

In new curricular options, the plan suggests the possibility of a school of design to offer baccalaureate and master's degrees in fine arts, crafts, architecture, landscape design, and urban and suburban planning. It also indicates that a school of medicine and a complementary medical and health science research institute will be considered.

ENROLLMENT

Oakland has maintained steady growth during the 1970s, despite a general slowdown of higher education enrollment growth in the state. A major section of the Fifteen-Year Plan is devoted to future enrollment, and the plan contends that OU can continue to grow during the 1980s and 1990s.

Specifically, the plan calls for an enrollment growth of two percent per year until 1982, and one percent per year thereafter. Such a pattern would mean a full-year equated student (FYES) enrollment of at least 10,000 by 1982 and 11,000 by 1992.

The university plans this growth in spite of the declining pool of high school graduates. Strategies cited in the plan to exceed the general trend over the next 15 years include:

- *increasing by one-half Oakland's share of freshmen coming directly from Michigan high schools
- *increasing the number of nontraditional undergraduates (those not coming directly from high school) by 65 percent through increased evening and weekend course offerings
- *building residence hall occupancy to capacity and adding student apartments
- *strengthening the undergraduate admissions effort with support from the entire university community
- *emphasizing student retention
- *launching a major graduate admissions effort.

The diversity of the student body will be preserved during this era of steady growth as the university continues to serve men and women of various ages, races, ethnic and religious groups, hometowns, and lifestyles. To that end, the university will continue to strive to recruit a number of minority students equal to 15 percent of the entering nonminority students coming directly from high school. In addition, recruitment of minority transfers and graduate students will intensify. More students will be sought from outstate Michigan, out-of-state, and foreign countries. Men and women will be encouraged to break into fields which stereotypically were associated with the opposite sex. Finally, older students and those with family obligations will be encouraged with convenient class times and formats.

According to the plan, a rise in academic accomplishment and personal growth will accompany this enrollment expansion. Specific methods for this increase in quality include gradually raising admissions criteria, awarding more and larger merit scholarships, working with major feeder schools to improve preparation for study at Oakland, and extending the learning skills program so that substantial numbers of freshmen and transfers receive basic learning assistance.

FACULTY AND ADMINISTRATIVE-PROFESSIONAL STAFF

A strong faculty and staff directly affect the strength of the university. In order to maintain a solid body of personnel, the plan states that the university will recruit with attention to matching qualifications with university goals. The work setting will be maintained at a high level, with emphasis on fair compensation and benefits. Fair assessment during probationary periods will be stressed, with standards for reappointment, tenure, and promotion raised. The university will continue to promote from within when possible, and merit will be recognized and rewarded.

Faculty and staff numbers will grow in proportion to enrollment growth. In spite of the low number of new positions, several mechanisms for continually adding new faculty will be used, including a faculty early retirement option, continued use of part-time and visiting faculty, and diversion of five percent of the tenured faculty to research and service activities.

Integration in the work force will be achieved by setting goals and timetables, improving personnel selection and advancement systems, and systematically evaluating progress toward those goals.

Faculty and staff will devote more attention to updating and supplementing their professional skills to adjust their competence to fit the emerging growth areas.

STUDENT LIFE

Because of the dynamic nature of the student body, devising a 15-year plan for student life is especially challenging. Over the next 15 years, the university will offer noncredit courses, seminars, and conferences in such areas as building communication skills, self-confidence, creative skills, and problem-solving ability.

Extracurricular educational and cultural experiences will include continuing the President's Club Lecture Series and adding a more popularly oriented lecture series,

expanding the professional artist concert series launched this year by the Department of Music, and planning a new era of programs to include lectures, soloists, and other performing groups to fill a new auditorium to be constructed during the 15 years.

Personal and social bonds will be strengthened through the camaraderie effected by student clubs. Focus will be two-pronged: on curriculum-related organizations, and on social clubs.

Students will become more visible in official roles in every university area, including residence hall management, admissions, fund-raising, community relations, and general administration.

The athletic program will continue to develop, both in intercollegiate and recreational/intramural play. More faculty, staff, and students will participate in guided conditioning routines as interest in health maintenance programs increases.

Intercollegiate athletic activities will continue within the National Collegiate Athletic Association Division II and the Great Lakes Intercollegiate Athletic Conference. The university will continue to seek athletes who also have high academic potential, and scholarship opportunities for athletes will increase. Audience development in the community will be a prime focus.

ACADEMIC SUPPORT SERVICES

Two areas—the library and the computer—dominate the discussion of academic support services over the next 15 years. In the library area, the plan notes that a crucial addition to Kresge Library should be complete by 1983, and suggests that library holdings should increase from 300,000 bound volumes in 1978 to 400,000 in 1983, 550,000 in 1988, and 700,000 in 1993.

The library will continue to be active in consortia to increase effectiveness of medium-size libraries, and the library will continue to participate in regional and national data-retrieval systems. Certain disciplines will gain optimal access to related library materials, and study and research space will be added.

The Office of Computer Services is in the first phase of progress toward 1993, with a Honeywell MULTICS Level 68 DPS-1 computer slated for installation in December 1978. One of the most sophisticated time-sharing systems on the market today, the computer is expected to meet academic and administrative demands at least until the mid-1980s. Along with the central computer, the university is also installing two Honeywell Level 6 minicomputers.

Library and computer are not the only academic support needs, according to the plan, and instructional equipment expenditures are projected to increase from \$195,000 in 1977-78 to \$550,000 in 1992-93. This budget includes funds to replace old equipment and to purchase new materials for laboratories, studios, practice rooms, and other locations housing specialized instruction. The projection assumes that the university will continue to receive some major pieces of equipment—such as the newly acquired nuclear magnetic resonance spectrometer—from government agencies, charitable foundations, and other special sources.

Other academic support services highlighted in the Fifteen-Year Plan include admissions, registration and records, and student services.

In the registration area, the plan notes a need for a mechanism to provide continuing reports on students' progress, for using technology to simplify registration for students, and for producing the fall and winter class schedules earlier.

Academic advising will receive more attention from academic units, ensuring a reliable, caring, and informative faculty advising system. Special attention will be given to new and undecided students.

The university will continue its commitment to the Office of Special Programs, which helps students with high potential who were not adequately prepared for

college in secondary schools. Federal funding currently figures prominently in the special programs system, but the university will stand ready to assume as much as possible of those costs if federal funding is withdrawn.

The career advising and placement network must grow in recognition of its valuable impact on students and alumni.

The university will continue to extend personal services to students to enhance their academic work. These include the health service, psychological services, personal counseling, residence halls and residential food services, Oakland Center, and the financial aid office.

BUDGET

In the fiscal area, the plan concentrates on three areas—state funding, fund-raising from federal and private sources, and improved management control.

At the state level, the plan argues for an 11-percent annual increase in state appropriations—six percent to cover inflationary costs, three percent for enrollment growth and program cost increases, and two percent for program improvements.

The plan also suggests that tuition and fees—now approximately 30 percent of the cost of education—should be held at or below the rate of inflation in recognition of the limited resources of students.

An ambitious fund-raising program is outlined by the plan. The key ingredients of it are:

- *continued rapid development of the alumni fund-raising program. Alumni fund raising has increased from \$3,000 to \$42,000 over the past five years, and the plan projects similar rates of increases to \$150,000 a year by 1983 and \$700,000 a year by 1993.

- *a growth rate in fund-raising from community resources of 10 percent a year to \$630,000 a year by 1993.

- *a capital fund program—the first in university history—that would bring in \$15-25 million.

- *continued improvement in fund raising for on-going programs such as the music festival, the golf course, and other self-sustaining activities.

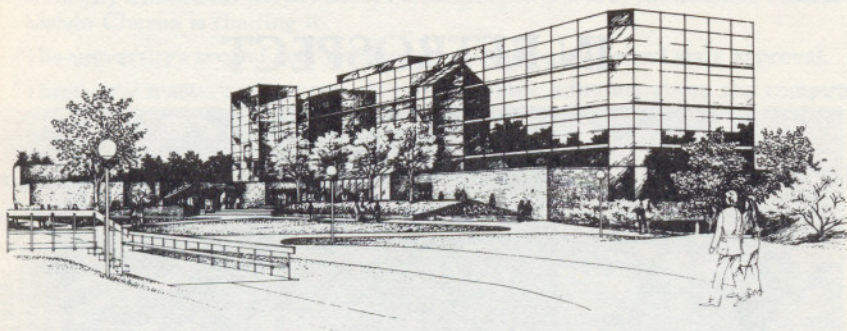
- *nearly tripling federal support of research and development activities, from \$3.8 million currently to \$8.5 million on an annual basis by 1993.

Concurrent with this search for new funding, the university will concentrate on efficient management of the institution, seeking out ways to operate at less cost. Energy conservation, new administrative systems that capitalize on new technology, and improved budget reporting systems will all receive attention in this area.

PHYSICAL PLANT

The physical plant, an area that often receives the most attention in planning efforts, is not forgotten in the Fifteen-Year Plan, but the building program follows the academic and public service program plans of the university.

Buildings planned for the 15-year period include Classroom-Office Building II (now under construction), a science building, a basic science research building, a clinical research laboratory, a physical education building, and an auditorium. Additions are planned for the library, Varner Hall, and Hannah Hall. Other new buildings include a golf course clubhouse, a residential building for Meadow Brook Hall, a faculty-staff-student apartment complex, remodeling in the Student Village area, a fly-loft for Meadow Brook Theatre, an outdoor swimming pool, an addition to the Oakland Center, and new tennis courts and all-weather track.



Classroom-Office Building II

PUBLIC SERVICE

One of the central features of Oakland University over the years has been its various public service programs. Meadow Brook Music Festival, Meadow Brook Theatre, Meadow Brook Hall, Meadow Brook Art Gallery, the Urban Affairs Center, and Continuing Education have all established solid reputations, and the Fifteen-Year Plan encourages continued development of each of these programs. In particular, it notes the need for developing new continuing professional education programs for professionals who need programs for re-licensure, possible expansion of the Meadow Brook Theatre season to 35 or 40 weeks, and additional housing needed by Meadow Brook Hall to expand its potential as a residential conference center.

The plan also proposes that the university move forward with the development of one or more community-service institutes. Possibilities include a Center for Community Economic Assistance, a Center for Technical Assistance, a Center for Civic Planning, and an Industrial Health and Safety Laboratory.

PART FOUR

IN RETROSPECT



Highlights of 1977-78 include second-place finishes for all OU women's teams, an art exhibition shown for the first time outside Japan, and acquisition of a nuclear resonance spectrometer.

Highlights for 1977-78

ACADEMIC

- *The university awarded its first doctoral degrees as three engineering students completed their work.
- *The first group of undergraduate nursing students also earned their degrees.
- *Mohammed S. Ghausi joined the university staff as the dean of the School of Engineering and as the John F. Dodge Professor.
- *Reuben Torch was reappointed as Dean of the College of Arts and Sciences.
- *The university was saddened by the death of Professor V. Everett Kinsey, director emeritus of the Institute of Biological Sciences.
- *Academic department chairpersons appointed or reappointed during the year included: Donald Hildum, communication arts; Abraham Liboff, physics; Paul Tomboularian, chemistry; John Cameron, art and art history; George Feeman, mathematical sciences; David Shantz, psychology; Peter Bertocci, sociology and anthropology (acting); Patrick Johnson, teacher education; and Alice Gorlin, economics.
- *Two OU faculty members—Mary Karasch and Philip Singer—were awarded Fulbright fellowships for the 1978-79 year.
- *Patrick Quinlan, a career diplomat with the U.S. State Department, has joined the

staff for one year as Diplomat-in-Residence, a program sponsored by the State Department.

- * A new organizational structure in the School of Education resulted in the appointment of two associate deans, Doris Sponseller and Robert Payne.
- * A Faculty Council for the School of Performing Arts was appointed, and Professor Melvin Chernio is chairing it.
- * The university's second doctoral program—reading—received state approval.
- * Three new master's programs—linguistics, public administration, and computer science—were approved; new undergraduate programs approved were theatre arts and physical therapy.
- * Two new extension sites—Farmington Hills and Sterling Heights—were established, with the centers opening in fall 1978.

ADMINISTRATIVE

- * Private fund-raising made significant progress:
 - * alumni raised \$42,000, a 33% increase from 1976.
 - * membership in the President's Club climbed to 160.
 - * University Associates (\$500 or more) members rose to 48.
 - * Century Club membership (\$100 to \$500) increased to 646.
- * Major gifts to the university included a grant of \$95,000 from the Matilda R. Wilson Fund for the purchase of a nuclear magnetic resonance spectrometer for the chemistry department and \$60,000 from private donors for construction of a clubhouse at the OU Katke-Cousins Golf Course.
- * The Meadow Brook Art Gallery staged a major exhibition entitled "Through Closed Doors: Western Influence on Japanese Art 1630-1850." It was the first time that the art had been shown outside Japan.
- * Cultural activities—Meadow Brook Music Festival, Hall, and Theatre—drew more than 400,000 persons to campus during the year.
- * Actor Lew Ayres highlighted Continuing Education special activities with two showings of his film "Altars of the World" and related seminars. Nearly 6,000 persons attended the programs.
- * CE received national awards for its conference on "Focusing the Mind's Eye" and for its programming for small business personnel.
- * The Continuum Center established an Old Adult Project with funding from the Administration on Aging and the National Institute of Mental Health.
- * A new computer—A Honeywell DPS 1—was selected to handle both academic and administrative computing needs.
- * A new payroll/personnel system obtained from Information Associates will be operational in early 1979.
- * The men's swim team finished third in the National Collegiate Athletic Association Division II championships. The team also won the GLIAC championship, as did the men's baseball team.
- * All of OU's women's teams captured second place finishes in GLIAC competition. In addition the women's basketball team represented the U.S. at international games held in Mexico City in 1978.
- * Residence hall occupancy continued to rebound with a 21% increase in the number of students living in the halls from 1976-77.
- * "Alice"—one of the Barn Theatre productions—was selected to be a regional participant in the American College Theatre Festival.

FACULTY PROMOTIONS 1977-1978

Faculty members promoted to assistant professor were:

Diane R. Wilson (Nursing)

Faculty members promoted to associate professor were:

Egbert W. Henry (Biological Sciences)

Eileen E. Hitchingham (Library)

Janet A. Krompart (Library)

Lawrence D. Orton (History)

Dean G. Purcell (Psychology)

Doris Sponseller (Teacher Education)

Ronald Swartz (Teacher Education)

Robert J.J. Wargo (Philosophy)

Barry S. Winkler (Biological Sciences)

Faculty members promoted to professor were:

Daniel N. Braunstein (Management and Psychology)

Michael V. Riley (Biological Sciences)

CONTINUING CONTRACT AWARDS

Administrative-professional personnel awarded continuing contracts during 1977-78 were:

Rosalind Andreas, Campus Information, Programs, and Organizations

Michael Crupko, Architectural Services

Cleveland Hurst, Student Services/Veterans' Affairs

Terence Kilburn, Meadow Brook Performing Arts

Thomas Kirchner, Varner Hall Performance Facilities

James Llewellyn, Public Relations

Patrick Nicosia, Business Affairs

Geraldine Palmer, School of Education

F. Edward Rice, University Counseling Center

Alan Scott, Career Advising and Placement

Harvey Shapiro, School of Economics and Management

Elinor Waters, Continuum Center

Patrick Whitehead, Computer Services

Mary Withington, Computer Services

Financial Statement

Report of Ernst & Ernst, Independent Auditors

Board of Trustees
Oakland University
Rochester, Michigan

We have examined the statements of financial condition of the several funds of Oakland University as of June 30, 1978, and the related statements of changes in fund balances and current funds revenues, expenditures, and transfers for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The financial statements of Oakland University for the year ended June 30, 1977, were examined by other auditors whose report dated September 14, 1977, expressed an unqualified opinion on those statements.

In our opinion, the financial statements for 1978 referred to above present fairly the financial position of the several funds of Oakland University at June 30, 1978, and the changes in fund balances and the current funds revenues, expenditures, and transfers for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Detroit, Michigan
September 15, 1978

Ernst & Ernst

E&E

GENERAL FUND
OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION

	June 30	
	1978	1977
ASSETS		
Cash	\$ 41,251.87	\$ 31,828.71
Short-term investments—Note A	1,642,000.00	1,445,000.00
Accounts receivable, less allowance of \$42,676.59 (1977—\$39,819.79)	31,319.77	42,826.58
Inventories—Note A	175,673.00	222,989.00
Prepaid expenses	182,697.32	165,061.17
TOTAL ASSETS	2,072,941.96	1,907,705.46
LIABILITIES		
Accounts payable	179,400.17	161,139.83
Accrued payrolls	805,368.91	783,956.76
Unearned student fees	555,117.25	613,694.25
Student tuition deposits	69,493.00	67,990.00
TOTAL LIABILITIES	1,609,379.33	1,626,780.84
FUND BALANCE	\$ 463,562.63	\$ 280,924.62
Obligated by contractual commitments	\$ 112,824.00	\$ 148,166.00
Committed for following year's budget	350,738.63	132,758.62
TOTAL FUND BALANCE	\$ 463,562.63	\$ 280,924.62

STATEMENTS OF CHANGES IN FUND BALANCE

	Year Ended June 30	
	1978	1977
Balance at beginning of year	\$ 280,924.62	\$ 65,031.82
Revenues over expenditures and transfers	182,638.01	215,892.80
BALANCE AT END OF YEAR	\$ 463,562.63	\$ 280,924.62

DESIGNATED FUND
OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION

	June 30	
	1978	1977
ASSETS		
Cash	\$ 911.56	\$ 13,890.98
Short-term investments—Note A	1,025,000.00	686,000.00
Accounts receivable	40,938.77	41,055.58
Prepaid expenses	23,673.17	10,353.27
TOTAL ASSETS	1,090,523.50	751,299.83
LIABILITIES		
Accounts payable	69,750.66	33,888.27
Accrued payrolls	1,138.80	9,543.46
Unearned conference fees	12,833.04	9,759.26
TOTAL LIABILITIES	83,722.50	53,190.99
FUND BALANCE	\$1,006,801.00	\$698,108.84

STATEMENTS OF CHANGES IN FUND BALANCE

	Year Ended June 30	
	1978	1977
Balance at beginning of year	\$ 698,108.84	\$917,137.03
Revenues over (under) expenditures and transfers	308,692.16	(219,028.19)
BALANCE AT END OF YEAR	\$1,006,801.00	\$698,108.84

AUXILIARY ACTIVITIES FUND
OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION

	June 30	
	1978	1977
ASSETS		
Cash	\$ 891.57	\$ 2,682.24
Short-term investments—Note A	451,000.00	390,000.00
Accounts receivable	193,117.26	169,218.91
Inventories—Note A	474,247.30	403,203.41
Prepaid expenses	267,079.26	92,895.38
TOTAL ASSETS	1,386,335.39	1,057,999.94
LIABILITIES		
Accounts payable	219,685.78	324,531.95
Accrued payrolls	11,390.21	37,048.91
Unearned revenue	755,046.62	560,671.82
Student room deposits	825.00	325.00
TOTAL LIABILITIES	986,947.61	922,577.68
FUND BALANCE	\$ 399,387.78	\$ 135,422.26

STATEMENTS OF CHANGES IN FUND BALANCE

	Year Ended June 30	
	1978	1977
Balance at beginning of year	\$ 135,422.26	\$ 135,351.91
Revenues over expenditures and transfers	263,965.52	70.35
BALANCE AT END OF YEAR	\$ 399,387.78	\$ 135,422.26

See notes to financial statements

EXPENDABLE RESTRICTED FUND
OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION

	June 30	
	1978	1977
ASSETS		
Cash	\$ 9,511.79	\$ 1,274.87
Cash held by trustee	7,675.59	46.78
Short-term investments—Note A	463,000.00	740,000.00
Marketable securities (market value: 1978—\$222,375.75; 1977—\$241,223.50)—Note A	217,789.41	229,215.81
Accounts receivable:		
United States Government agencies	161,549.94	146,014.90
Other	198,680.69	85,679.91
TOTAL ASSETS	1,058,207.42	1,202,232.27
LIABILITIES		
Accounts payable	85,471.33	52,325.73
Accrued payrolls	9,078.92	18,245.40
TOTAL LIABILITIES	94,550.25	70,571.13
FUND BALANCE	\$ 963,657.17	\$ 1,131,661.14

STATEMENTS OF CHANGES IN FUND BALANCE

	Year Ended June 30	
	1978	1977
Balance at beginning of year	\$1,131,661.14	\$1,054,547.79
Increase (decrease) in restricted revenues held for future expenditures	(168,003.97)	77,113.35
BALANCE AT END OF YEAR	\$ 963,657.17	\$ 1,131,661.14

STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES AND TRANSFERS
OAKLAND UNIVERSITY

Year Ended June 30, 1978							
	General Fund	Designated Fund	Auxiliary Activities Fund	Subtotal	Expendable Restricted Fund	Combined	Year Ended June 30, 1977 Combined
REVENUES							
Student fees	\$ 7,151,538.92			\$7,151,538.92		\$ 7,151,538.92	\$ 6,834,725.36
State appropriations	15,301,400.00			15,301,400.00		15,301,400.00	13,802,801.60
Federal contracts and grants	19,988.00			19,988.00	\$2,578,828.70	2,598,816.70	2,421,893.52
Gifts and other grants		\$ 82,484.00		82,484.00	1,234,746.24	1,317,230.24	973,145.73
Income from investments:							
Endowment Fund					99,743.82	99,743.82	44,712.93
Other	130,726.21	112,975.44		243,701.65	33,034.85	276,736.50	177,497.36
Departmental activities	133,082.90	1,003,507.79		1,136,590.69	1,612.40	1,138,203.09	935,245.86
Auxiliary activities			\$7,423,998.34	7,423,998.34		7,423,998.34	6,321,833.61
Application fees	114,447.10			114,447.10		114,447.10	138,110.00
Recovery of indirect cost of sponsored programs	434,381.51			434,381.51	(434,381.51)		
Decrease (increase) in restricted revenue held for future expenditures					168,003.97	168,003.97	(77,113.35)
TOTAL REVENUES	23,285,564.64	1,198,967.23	7,423,998.34	31,908,530.21	3,681,588.47	35,590,118.68	31,572,852.62
EXPENDITURES AND TRANSFERS							
Instruction	11,359,444.29	423,709.06		11,783,153.35	788,305.85	12,571,459.20	11,456,162.35
Research	140,931.35	76,922.61		217,853.96	882,833.60	1,100,687.56	965,135.00
Public service	190,816.33	327,925.64		518,741.97	803,058.42	1,321,800.39	1,023,633.38
Academic support	2,323,971.42	65,086.57		2,389,057.99	107,585.46	2,496,643.45	2,141,903.18
Student services	1,818,285.10	138,880.75		1,957,165.85	306,739.51	2,263,905.36	2,124,094.70
Institutional support	3,132,811.21	81,255.33		3,214,066.54	73,787.24	3,287,853.78	3,090,426.31
Scholarships and fellowships	770,806.69			770,806.69	382,719.72	1,153,526.41	1,053,357.78
Operation and maintenance of plant, after deduction of \$441,044.00 (1977—\$465,805.00) for utility charges to Auxiliary Activities Fund	2,739,592.41	15,177.65		2,754,770.06	13,427.10	2,768,197.16	2,294,868.77

Auxiliary activities:

Operations, less rent from General Fund of \$317,524.28 (1977—\$333,171.66)			6,873,965.06	6,873,965.06		6,873,965.06	5,910,559.30
Internal service operations, less rebilling of \$1,492,574.16 (1977—\$1,339,466.70)			(137,085.19)	(137,085.19)		(137,085.19)	10,749.55
TOTAL EXPENDITURES	22,476,658.80	1,128,957.61	6,736,879.87	30,342,496.28	3,358,456.90	33,700,953.18	30,070,890.32
Mandatory transfers for:							
Debt service	446,507.26		664,599.47	1,111,106.73		1,111,106.73	1,094,150.63
Scholarships and fellowships— loan matching grants	42,493.80			42,493.80		42,493.80	4,511.52
TOTAL EXPENDITURES AND MANDATORY TRANSFERS	22,965,659.86	1,128,957.61	7,401,479.34	31,496,096.81	3,358,456.90	34,854,553.71	31,169,552.47
Other transfers for:							
Instruction	(8,162.00)	5,283.79	2,878.21				
Research	73,714.77	(73,714.77)					
Public service		4,100.00	(275,524.39)	(271,424.39)	271,424.39		
Academic support		12,000.00		12,000.00	(12,000.00)		
Student services	56,580.00		(70,887.18)	(14,307.18)	14,307.18		
Institutional support		(286,351.56)		(286,351.56)		(286,351.56)	
Plant improvement and extension	15,134.00	100,000.00	69,678.78	184,812.78	50,000.00	234,812.78	363,847.57
Scholarships and fellowships					(600.00)	(600.00)	
Meadow Brook Hall mainte- nance and repair reserve			32,408.06	32,408.06		32,408.06	42,517.62
TOTAL EXPENDITURES AND TRANSFERS	23,102,926.63	890,275.07	7,160,032.82	31,153,234.52	3,681,588.47	34,834,822.99	31,575,917.66
REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS	\$ 182,638.01	\$ 308,692.16	\$ 263,965.52	\$ 755,295.69	\$ -0-	\$ 755,295.69	\$ (3,065.04)

See notes to financial statements

STUDENT LOAN FUND
OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION

	June 30	
	1978	1977
ASSETS		
Cash	\$ 839.40	\$ 9,981.50
Short-term investments—Note A	38,000.00	50,000.00
Accounts receivable	13,492.00	8,127.00
Student loans receivable:		
University student loans, less allowance of \$1,000.00	16,520.26	7,635.87
Federal student loans, less allowance of \$560,000.00 (1977—\$459,000)	3,078,895.70	2,979,273.73
Deposit with state loan guaranty agency	1,000.00	1,000.00
TOTAL ASSETS (EQUAL TO FUND BALANCE)	<u>\$3,148,747.36</u>	<u>\$3,056,018.10</u>
FUND BALANCE		
University student loan funds	\$ 51,077.75	\$ 44,311.51
Federal student loan funds:		
Federal portion	2,752,772.81	2,694,478.01
University portion	344,896.80	317,228.58
	<u>3,097,669.61</u>	<u>3,011,706.59</u>
TOTALS	<u>\$3,148,747.36</u>	<u>\$3,056,018.10</u>

STATEMENT OF CHANGES IN FUND BALANCE

	Year Ended June 30, 1978			Year Ended June 30, 1977
	Federal Student Loan Funds	University Student Loan Funds	Total	Total
Balance at beginning of year	\$3,011,706.59	\$44,311.51	\$3,056,018.10	\$3,046,358.04
Additions:				
Federal government contributions	168,568.48		168,568.48	92,017.00
Gifts and other grants		2,116.58	2,116.58	1,927.00
General Fund support	42,493.80		42,493.80	4,511.52
Federal reimbursement for cancellations	3,255.00	5,529.00	8,784.00	5,281.00
Interest on student loans	51,731.43		51,731.43	52,412.81
Investment income	3,440.17		3,440.17	3,337.00
Collections on bad debts		2,723.77	2,723.77	2,276.79
	269,488.88	10,369.35	279,858.23	161,763.12
Deductions:				
Provision for possible collection losses which may result on loans	101,000.00		101,000.00	75,000.00
Cancellations for teaching or military service, death and bankruptcy	44,982.03		44,982.03	49,780.18
Administrative expenses	37,543.83		37,543.83	24,579.62
Uncollectible notes charged off		2,003.11	2,003.11	2,743.26
Transfer to Expendable Restricted Fund		1,600.00	1,600.00	
BALANCE AT END OF YEAR	<u>\$3,097,669.61</u>	<u>\$51,077.75</u>	<u>\$3,148,747.36</u>	<u>\$3,056,018.10</u>

See notes to financial statements

ENDOWMENT FUND
OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION

	June 30	
	1978	1977
ASSETS		
Cash	\$ 653.80	\$ 818.80
Short-term investments—Note A	153,000.00	97,000.00
Marketable securities (market value: 1978—\$1,386,610.64; 1977— \$1,415,534.59)—Notes A and B	<u>1,364,620.23</u>	<u>1,344,190.23</u>
TOTAL ASSETS	<u>\$1,518,274.03</u>	<u>\$1,442,009.03</u>
FUND BALANCE		
Endowment funds	\$1,331,079.63	\$1,304,814.63
Funds functioning as endowment	<u>187,194.40</u>	<u>137,194.40</u>
FUND BALANCE	<u>\$1,518,274.03</u>	<u>\$1,442,009.03</u>

STATEMENTS OF CHANGES IN FUND BALANCE

	Year Ended June 30	
	1978	1977
Balance at beginning of year	\$1,442,009.03	\$1,336,495.70
Additions (deduction):		
Gifts	26,265.00	55,513.33
Transfer from Plant Fund	50,000.00	50,000.00
Interest and dividend income	100,596.93	45,962.93
Distribution of earnings to beneficiary funds	<u>(100,596.93)</u>	<u>(45,962.93)</u>
BALANCE AT END OF YEAR	<u>\$1,518,274.03</u>	<u>\$1,442,009.03</u>

See notes to financial statements

STATEMENT OF FINANCIAL CONDITION
PLANT FUND
OAKLAND UNIVERSITY

	June 30, 1978					June 30, 1977
	Unexpended Appropriations for Plant Additions	Reserve for Debt Service	Reserve for Maintenance and Replacement	Invested in Physical Properties	Total	Total
ASSETS						
Cash	\$ 543.99		\$45,069.97		\$ 45,613.96	\$ 64,133.44
Cash and investments with trustees		\$1,028,585.92	32,912.96		1,061,498.88	1,028,528.07
Short-term investments (approximates market)— Note A						52,000.00
State appropriations receivable	607,000.00				607,000.00	607,000.00
Grants receivable	73,700.00				73,700.00	140,000.00
Note and pledge receivable	55,000.00				55,000.00	100,000.00
Physical properties:						
Land				\$ 4,509,488.82	4,509,488.82	4,522,613.82
Land improvements				2,494,038.60	2,494,038.60	2,459,959.82
Buildings				45,042,339.87	45,042,339.87	44,912,727.87
Equipment				6,385,022.76	6,385,022.76	5,516,499.82
Library books				3,659,752.36	3,659,752.36	3,356,876.07
Construction in progress—Note C				608,705.99	608,705.99	400,144.73
TOTAL ASSETS	736,243.99	1,028,585.92	77,982.93	62,699,348.40	64,542,161.24	63,160,483.64
LIABILITIES						
Accounts payable	39,908.37				39,908.37	15,631.57
Note and bonds payable—Note D		700,000.00		12,743,689.51	13,443,689.51	13,836,126.41
Note payable held in escrow for future gift to the university				45,000.00	45,000.00	45,000.00
Due to Agency Fund	100,000.00				100,000.00	357,000.00
TOTAL LIABILITIES	139,908.37	700,000.00	-0-	12,788,689.51	13,628,597.88	14,253,757.98
FUND BALANCE	\$ 596,335.62	\$ 328,585.92	\$77,982.93	\$49,910,658.89	\$50,913,563.36	\$48,906,725.66
FUND BALANCE						
Invested in physical properties				\$49,910,658.89	\$49,910,658.89	\$47,987,695.72
Unfunded completed construction	\$ (148,917.56)				(148,917.56)	(248,917.56)
Restricted	745,253.18	\$ 328,585.92	\$32,912.96		1,106,752.06	1,114,268.59
Designated			45,069.97		45,069.97	53,678.91
TOTAL FUND BALANCE	\$ 596,335.62	\$ 328,585.92	\$77,982.93	\$49,910,658.89	\$50,913,563.36	\$48,906,725.66

See notes to financial statements

STATEMENT OF CHANGES IN NOTES AND BONDS PAYABLE AND FUND BALANCE
PLANT FUND
OAKLAND UNIVERSITY

		Year Ended June 30, 1978				
		Unexpended Appropriations for Plant Additions	Reserve for Debt Service	Reserve for Maintenance and Replacement	Invested in Physical Properties	Year Ended June 30, 1977 Total
NOTES AND BONDS PAYABLE						
Balance outstanding at beginning of year	\$	-0-	\$700,000.00	\$	-0-	\$13,881,126.41
Notes and bonds principal retired					(392,436.90)	(392,436.90)
BALANCE OUTSTANDING AT END OF YEAR	\$	-0-	\$700,000.00	\$	-0-	\$12,788,689.51
FUND BALANCE						
Balance at beginning of year	\$534,937.94	\$314,468.54	\$69,623.46	\$47,987,695.72	\$48,906,725.66	\$48,341,443.72
Additions (deductions):						
State appropriations	263,700.00				263,700.00	-0-
Gifts	20,779.49				20,779.49	250,395.65
Income from investments	3,675.00	56,905.26	8,983.00		69,563.26	64,940.59
From (to) other funds:						
General Fund	15,134.00	446,507.26			461,641.26	563,765.67
Designated Fund	(186,351.56)				(186,351.56)	124,174.68
Auxiliary Activities Fund	69,678.78	664,599.47	32,408.06		766,686.31	773,911.59
Expendable Restricted Fund	50,000.00				50,000.00	38,663.88
Endowment Fund			(50,000.00)		(50,000.00)	(50,000.00)
Agency Fund	6,998.00				6,998.00	(2,425.88)
Expenditures from operating funds for equipment				1,256,314.63	1,256,314.63	748,210.10
Plant assets retired				(140,631.64)	(140,631.64)	(61,173.86)
Adjustment to investment in equipment				(40,599.31)	(40,599.31)	(1,120,534.67)
Expenditures for capital additions	(468,567.59)			468,567.59	-0-	-0-
Sale of land	286,351.56			(13,125.00)	273,226.56	-0-
Interest and trust agent fees		(744,489.30)			(744,489.30)	(764,645.81)
Notes and bonds retired		(392,436.90)		392,436.90	-0-	-0-
Intrafund transfers		(16,968.41)	16,968.41		-0-	-0-
BALANCE AT END OF YEAR	\$596,335.62	\$328,585.92	\$77,982.93	\$49,910,658.89	\$50,913,563.36	\$48,906,725.66

See notes to financial statements

OAKLAND UNIVERSITY
STATEMENTS OF FINANCIAL CONDITION
RETIREMENT AND INSURANCE FUND

	June 30	
	1978	1977
ASSETS		
Cash	\$ 62,771.77	\$ 2,349.79
Short-term investments—Note A	1,245,000.00	1,175,000.00
Accounts receivable	-0-	906.15
Deposits	27,390.29	-0-
TOTAL ASSETS	1,335,162.06	1,178,255.94
LIABILITIES		
Accounts payable		134.40
Future unemployment compensation claims	65,798.06	34,017.98
TOTAL LIABILITIES	65,798.06	34,152.38
FUND BALANCE	\$1,269,364.00	\$1,144,103.56

STATEMENTS OF CHANGES IN FUND BALANCE

	Year Ended June 30	
	1978	1977
Balance at beginning of year	\$1,144,103.56	\$1,055,574.46
Investment income	72,249.51	57,681.14
Employer's contribution	27,365.50	30,847.96
Other	25,645.43	-0-
BALANCE AT END OF YEAR	\$1,269,364.00	\$1,144,103.56

See notes to financial statements

STATEMENTS OF FINANCIAL CONDITION
OAKLAND UNIVERSITY
AGENCY FUND

	June 30	
	1978	1977
ASSETS		
Cash	\$ 1,683.33	\$ 2,733.43
Short-term investments—Note A	1,111,000.00	678,000.00
Accounts receivable	59,173.37	120,307.41
Due from Plant Fund	100,000.00	357,000.00
TOTAL ASSETS	\$1,271,856.70	\$1,158,040.84
LIABILITIES		
Accounts payable	\$ 18,965.88	\$ 14,387.96
Payroll taxes and other payroll deductions	1,157,182.61	1,053,084.27
Accrued payrolls	13,359.37	26,067.41
Due to depositors	82,348.84	64,501.20
TOTAL LIABILITIES	\$1,271,856.70	\$1,158,040.84

NOTES TO FINANCIAL STATEMENTS OAKLAND UNIVERSITY

NOTE A—SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared generally in accordance with the accounting principles outlined in the American Institute of Certified Public Accountants' audit guide, *Audits of Colleges and Universities*, and the *Manual for Uniform Financial Reporting—State of Michigan Colleges and Universities*, as revised. Principally as a result of adopting the latest revision of the Manual, certain amounts for 1977 have been reclassified to conform with the 1978 presentation.

Fund Classification: The accounts of the university are summarized for financial reporting purposes into the following nine funds.

The current funds consist of the General, Designated (use restricted by university policy), Auxiliary Activities and Expendable Restricted (use restricted by donor or supporting agency). These funds are used to account for transactions related to the instructional and academic programs (including restricted purpose contracts and grants, research, extension and departmental programs) and the auxiliary activities which provide services to the student body, faculty and staff, and public. The statement of current funds revenues, expenditures, and transfers is a statement of financial activities of the current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

The noncurrent funds and their functions are described as follows: (1) the Student Loan Fund is used to account for transactions related to loans to students; (2) the Endowment Fund is used to account for gifts which allow only the income thereon to be expended and includes similar funds under board control; (3) the Plant Fund contains the transactions relating to investment in institutional physical properties (except those held for investment purposes), indebtedness incurred in the financing thereof and reserves for maintenance, replacement, and insurance; (4) the Retirement and Insurance Fund contains transactions

related to pension and insurance plans controlled by the institution; and (5) the Agency Fund is used to account for amounts withheld from payrolls, employer portions of payroll taxes and various payroll benefits, amounts held in custody for students, university-related organizations or others and amounts received from the federal government under the Basic Educational Opportunity Grants Program (expenditures \$730,596.00 in 1978).

Accrual Accounting: The financial statements have been prepared generally on the accrual basis with the following exceptions, which are common practices in colleges and universities: (1) vacation pay is recorded when paid; (2) investment income and interest on student loans are recorded when received; (3) interest expense on debt is recorded when paid and (4) gifts and pledges are generally recorded when received.

Investments: Investments are stated at cost or fair market value at date of gift.

Institutional Physical Properties: Institutional physical properties are stated at cost or fair market value at the date of gift. Amounts expended directly from current funds for equipment or other capital additions are included in expenditures or transfers of such funds and are capitalized in the Plant Fund. Depreciation is not provided on physical properties; however, certain repair and maintenance reserves have been established to provide for significant repair and maintenance costs to residence facilities.

Inventories: Inventories are stated at the lower of average cost (bookstores determined by the retail method) or market. The General Fund inventories consist of maintenance and classroom supplies of user departments.

Revenue Recognition: All revenues and related expenditures incurred in connection with the current summer school are deferred at June 30. Expendable Restricted Fund revenue is recognized only to the extent expended.

NOTE B—MARKETABLE SECURITIES

The yields on Endowment Fund marketable securities for the year ended June 30, 1978, determined on a market basis, were as follows:

Interest and dividend income	6.49%
Net market depreciation on securities	<u>(3.18)</u>
	<u>3.31%</u>

NOTE C—CONSTRUCTION IN PROGRESS

Construction in progress at June 30, 1978 includes approximately \$207,000.00 for architectural and consulting fees on the classroom office building, to be funded by the State Building Authority and leased to the University under a long-term lease arrangement. The estimated cost of the building is \$8,500,000.00

The cost to complete the remaining projects is estimated to be \$339,000.00 and is to be funded from federal grants, unexpended funds or gifts.

NOTE D—NOTE AND BONDS PAYABLE

The principal and interest on the note and bonds of the Plant Fund are payable only from the net income of specific auxiliary activities or from designated student fees. The obligations are generally callable, bear interest at rates varying from 3.0% to 8.5% and mature at various dates through 2017. Principal amounts payable within one year approximates \$348,400.00

NOTE E—RETIREMENT PLANS

The university has contributory retirement plans for all qualified employees. The plans are administered by Teachers' Insurance and Annuity Association of America-College Retirement Equities Fund (TIAA-CREF) and consist of employee-owned annuity contracts funded on a current basis. Contributions for the year aggregated \$1,408,376.71.

The university also maintains a noncontributory retirement plan for employees who have elected not to participate in the contributory plan or who had a past-service benefit in the noncontributory plan on the date the contributory plan was elected.

NOTE F—CONTINGENCIES

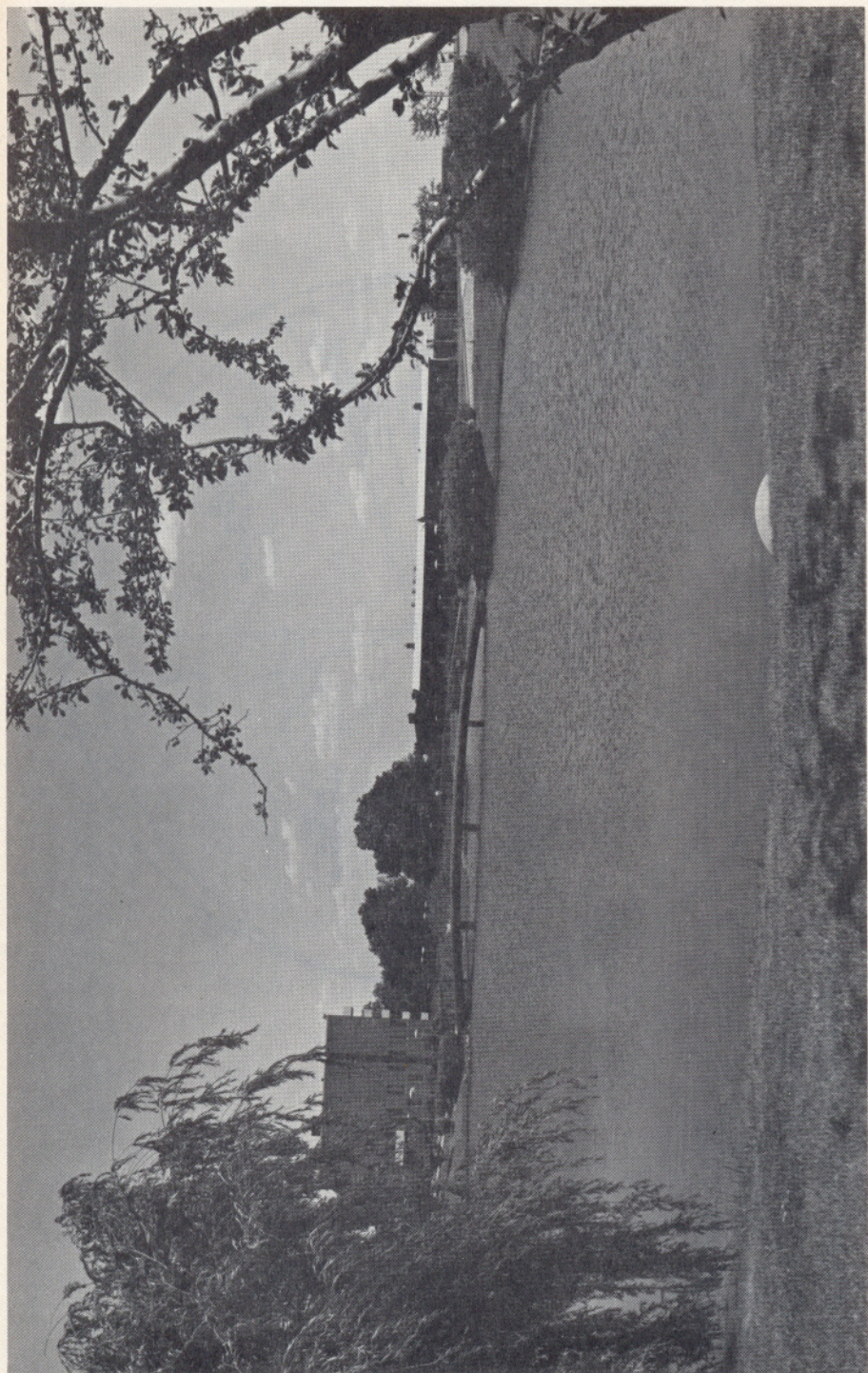
In the normal course of its activities, the university is a party in various legal actions. Although some actions have been brought for large amounts, the university has not experienced significant losses or costs. The university and its legal counsels are of the opinion that the outcome thereof will not have a material effect on the financial statements.

NOTE G—OAKLAND UNIVERSITY FOUNDATION

Oakland University Foundation is an independent corporation formed for the purpose of receiving funds for the sole benefit of the university. At June 30, 1978, the assets of the foundation were \$287,853.69 and are included in the financial statements of the Expendable Restricted Fund.

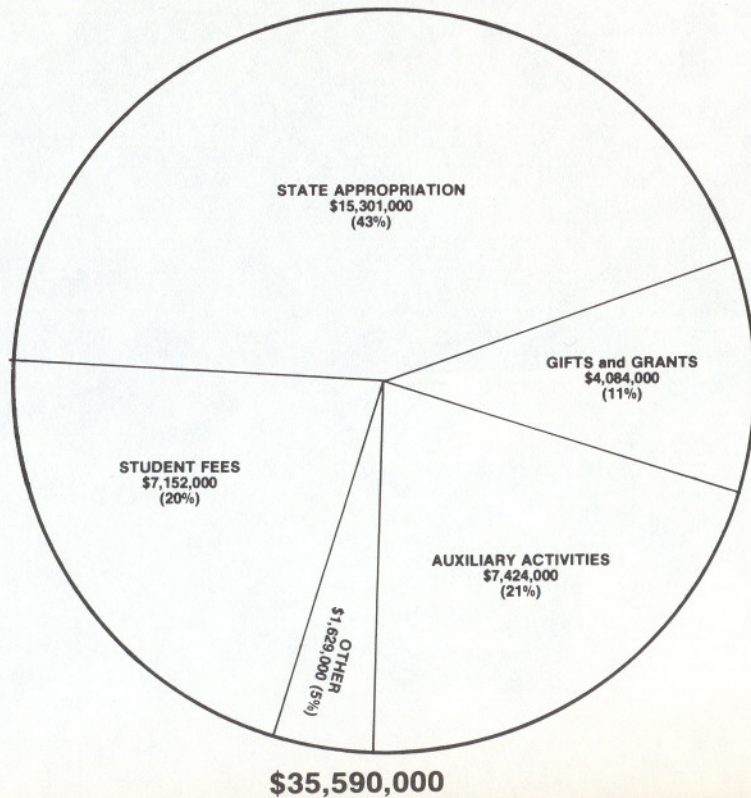
FINANCIAL HIGHLIGHTS

	1977/78	1976/77	% INCREASE (DECREASE)
Total operating revenues	\$35,590,000	\$31,573,000	12.7
General Fund revenues	23,286,000	21,314,000	9.3
State appropriation	15,301,000	13,803,000	10.9
Student fees	7,152,000	6,835,000	4.6
Gifts and grants for operations:			
Federal	2,767,000	2,345,000	18.0
Other	1,317,000	974,000	35.2
	4,084,000	3,319,000	23.0
Total operating expenditures and transfers	34,835,000	31,576,000	10.3
General Fund expenditures and transfers	23,103,000	21,098,000	9.5
Expenditures for organized research	1,101,000	965,000	14.1
Total payroll	22,744,000	20,797,000	9.4
Market value of endowment funds	1,387,000	1,416,000	(2.0)
Book value of total assets	77,424,000	74,913,000	3.4
Physical properties	62,699,000	61,168,000	2.5
Long-term indebtedness	13,489,000	13,881,000	(2.8)
Debt service payments	1,137,000	1,130,000	.6
Student aid:			
Grants	1,153,000	1,053,000	9.5
Loans	622,000	436,000	42.7
Enrollment, fiscal year equated students	8,825	8,493	3.9
Total head count—Fall semester	11,051	10,457	5.7
Students in residence halls	1,332	1,179	13.0
Meadow Brook Music Festival—attendance	185,273	155,122	19.4
Meadow Brook Theatre—attendance	142,935	138,163	3.5

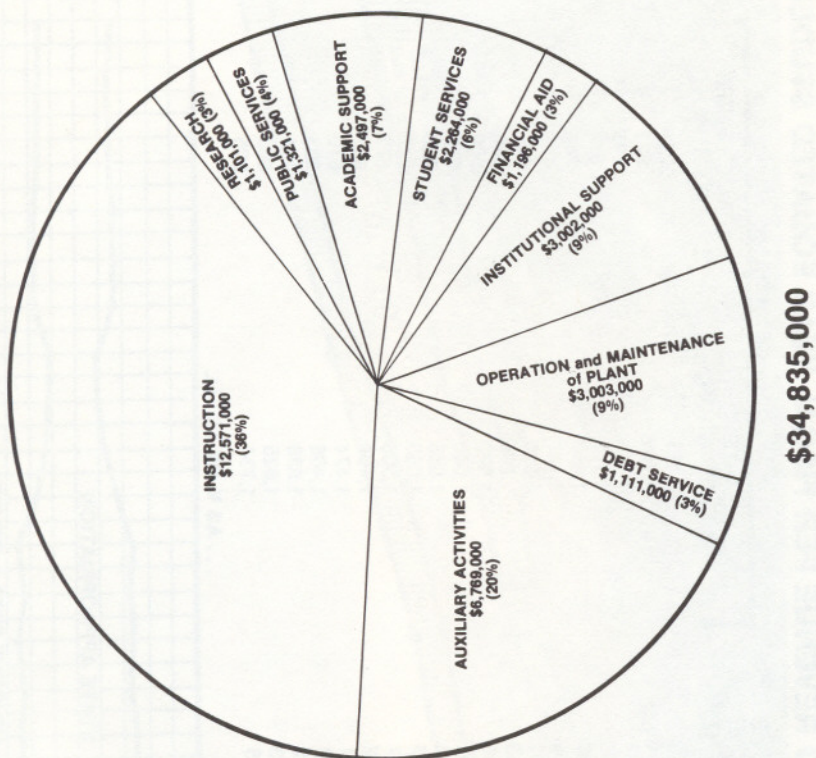


**OPERATING REVENUES
AND EXPENDITURES
YEAR ENDED
JUNE 30, 1978**

SOURCE OF FUNDS

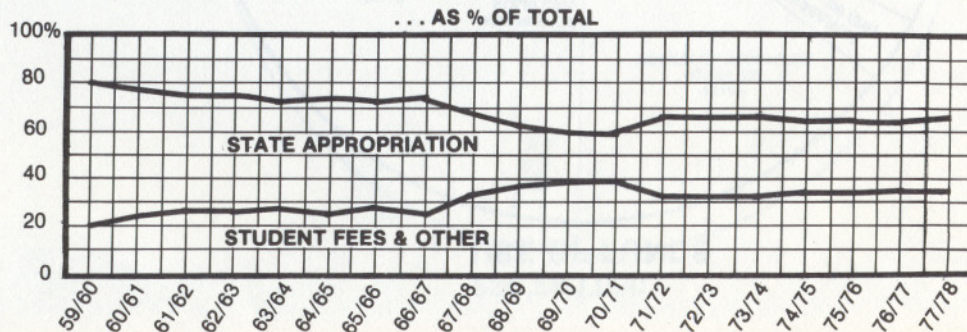


USE OF FUNDS



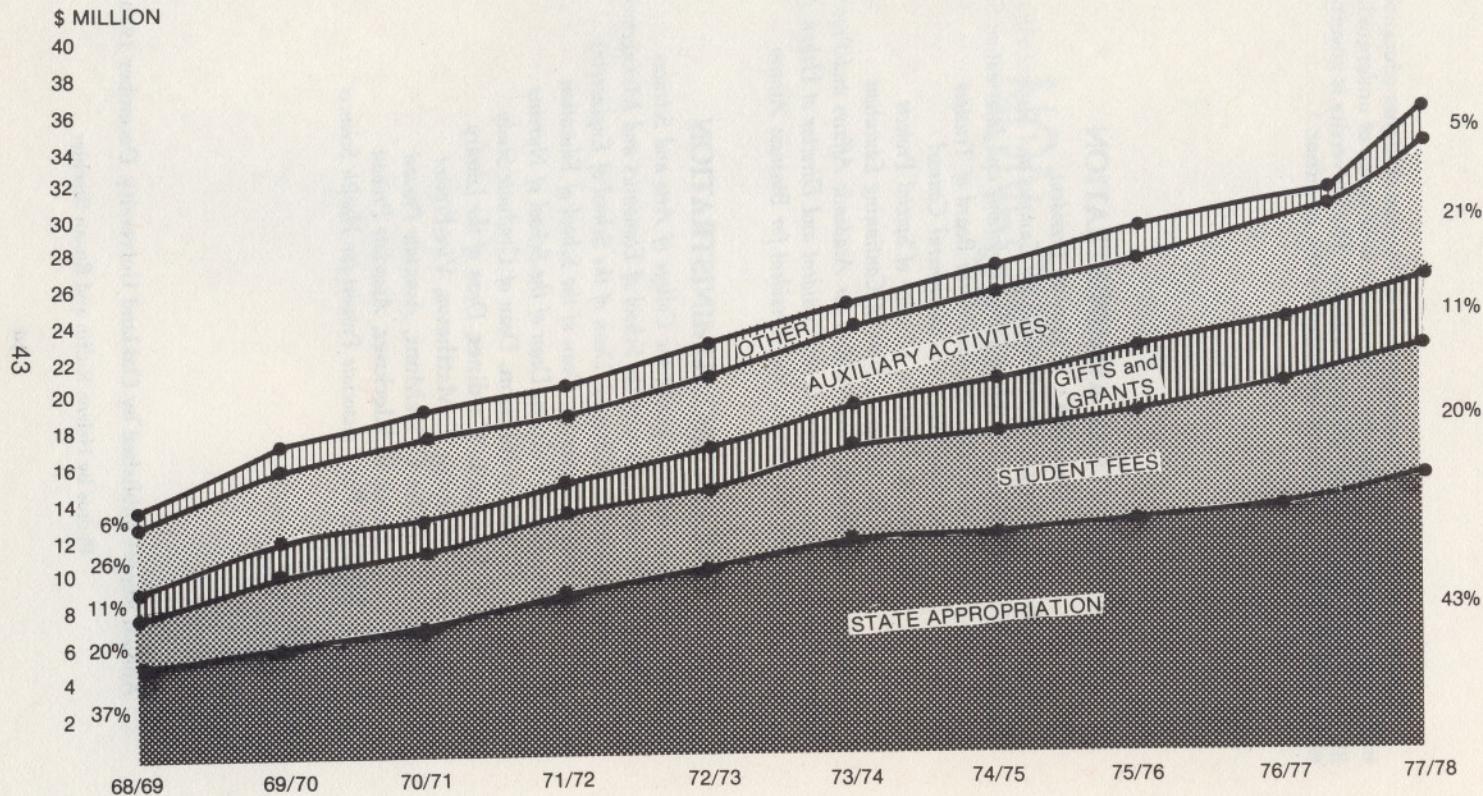
GENERAL FUND REVENUE PER FISCAL YEAR EQUATED STUDENT

FISCAL YEAR	FISCAL YEAR EQUATED STUDENTS	SOURCE		TOTAL
		STATE APPROPRIATION	STUDENT FEES AND OTHER	
1960	471	\$1,167	\$274	\$1,441
1961	765	1,149	328	1,477
1962	1087	901	305	1,206
1963	1290	1,177	379	1,556
1964	1480	1,055	384	1,439
1965	1859	1,187	419	1,606
1966	2551	1,028	409	1,437
1967	3283	1,295	446	1,741
1968	4086	1,073	500	1,573
1969	4852	1,040	635	1,675
1970	5905	1,058	723	1,781
1971	6643	1,063	722	1,785
1972	6981	1,308	577	1,885
1973	7403	1,404	633	2,037
1974	8241	1,474	670	2,144
1975	8537	1,466	733	2,199
1976	8612	1,538	774	2,312
1977	8493	1,625	885	2,510
1978	8825	1,734	905	2,639



TOTAL OPERATING REVENUES

TOTAL OPERATING REVENUES



Oakland University is a state-supported institution of higher education located in Rochester, Michigan. The university offers a wide range of undergraduate programs, 27 master's, and two doctoral programs. The university is governed by an eight-member Board of Trustees appointed by the governor.

CENTRAL ADMINISTRATION

Donald D. O'Dowd, *President*

Kenneth H. Coffman, *Vice-President for Campus and Student Affairs*

William W. Connellan, *Director of Public Relations and Information Services*

John De Carlo, *Secretary to the Board of Trustees
and Vice-President and General Counsel*

Robert A. Dearth, *Director of Special Projects*

Lowell R. Eklund, *Dean of Continuing Education*

Frederick W. Obear, *Vice-President for Academic Affairs and Provost*

Wilma Ray-Bledsoe, *Assistant to the President and Director of Urban Affairs*

Robert W. Swanson, *Vice-President for Business Affairs*

ACADEMIC ADMINISTRATION

Reuben Torch, *Dean of the College of Arts and Sciences*

Norton C. Seeber, *Dean of the School of Economics and Management*

Mohammed S. Ghausi, *Dean of the School of Engineering*

Laszlo J. Hetenyi, *Dean of the School of Education*

Geraldene Felton, *Dean of the School of Nursing*

G. Philip Johnson, *Dean of Graduate Study*

George L. Gardiner, *Dean of the Library*

George T. Matthews, *Vice-Provost*

Billie C. DeMont, *Associate Provost*

Keith R. Kleckner, *Associate Provost*

Moon J. Pak, *Associate Provost for Health Sciences*

Annual Report published by Oakland University, December 1978

Photos by Helena Ruffin and Roxan Steehler