

MICHIGAN STATE UNIVERSITY - OAKLAND BRANCH

An initial appropriation of \$200,000 for the Oakland County Branch of Michigan State University has been requested for the fiscal year 1958-59.

The Alfred G. Wilsons have provided \$2,000,000 for the construction of the first building for this campus and plans are sufficiently far advanced to permit bids to be taken about March 1, 1958. The architects assure us that this building will be completed by August 1959 so that the first class can be enrolled in September of 1959.

In order to prepare for the opening of the Oakland Branch in the fall of 1959, it will be necessary to have an administrative staff located at the Branch during all of the 1958-59 fiscal year. This group will have responsibility for the following:

- (1) Planning and supervision of the conversion of some of the existing buildings on the estate for academic use.
- (2) Recruitment of a teaching faculty. This will involve personal interviews with many individuals.
- (3) Final planning of the curriculum. Much work has already been done including a comprehensive survey to determine community needs. Actual planning of courses still must be accomplished.
- (4) Catalogues and literature describing programs must be prepared and distributed.
- (5) Preparation for the work in the registrar's office must be made prior to January 1, 1959 as applications for admission from prospective students will have to be processed soon after the January 1st date.

The initial budget request provides funds for:

(1) Personal Services \$120,000

Covers salaries of deans, department heads, registrar, librarian, business offices, plant supervisor and secretaries.

(2) Supplies and Services 20,000

Fund required for expenses connected with staff recruitment, printing of catalogues and course material, travel, communication and general supplies

(3) Equipment 60,000

Office furnishings for approximately 20 staff members. Basic equipment for plant maintenance division. Academic equipment, including library.

It is most important that funds be provided for the purposes outlined above. Additional information will be supplied upon request.

Michigan State University-Oakland

Budget Request

1959-60

I. Introduction

In January of 1957, Mr. and Mrs. Alfred G. Wilson announced that they were giving their beautiful 1400-acre estate (Meadowbrook) in Oakland County, Michigan plus \$2 million to Michigan State University for the purpose of establishing a branch university. In addition to the 1400 acres, the estate consists of Meadowbrook Hall, one of the world's fine residences, the modern, smaller home of the Wilsons (Sunset Terrace), plus several other residences and farm buildings. The \$2 million was for the purpose of constructing the first academic building for the new university.

Prior to this gift, Dr. Sarah VanHoosen Jones had given the university 350 acres of land in Oakland County, located 5 miles northeast of Meadowbrook. Following the Wilson gift, the University has acquired the ultimate control of an additional 200 acres immediately adjacent to the Wilson property.

In total, then, Michigan State University owns almost 2000 acres of land in Oakland County, plus several buildings, and now has under construction the first academic building for this new university -- a building scheduled for completion in July of 1959.

The Meadowbrook Estate is located in the eastern part of Oakland County, near the Macomb County line. In relation to existing population centers, it is 3 miles east of Pontiac (population 80,000), 3 miles west of Rochester (population 5,000), and 25 miles north of Detroit.

The combined population of Oakland and Macomb Counties is currently in excess of 1 million, and it is predicted rather conservatively that by 1980 this combined figure will be approximately 2 million.

Demographers estimate that currently almost 50,000 young men and women live within 15 miles of this property and that this figure will exceed 100,000 by 1970.

The staggering potential of this area is underscored by the fact that there is not now a single post-high school educational institution, public or private, in either county -- except for a new community college in south Macomb County.

In view of this gift and the very great need in this area for the development of a college, Michigan State University is making active plans to accept a freshman class in September of 1959.

It is our estimate that the budget herewith submitted is the minimum amount which will permit us to operate for the first fiscal year for the anticipated enrollment of 600 students.

We are requesting an appropriation of \$590,000 which will be supplemented by an estimated student fee income of \$120,000 for a total operating budget of \$710,000.

The detail of this budget is as follows:

A. <u>Administration</u>	\$ 65,500
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This figure includes the salary for a Director of University Relations who will be responsible for general information for this new university, for radio and television work, for audio-visual equipment and programs, and for general assistance to

the Chancellor; a Director of Business Affairs who will be charged with the handling of budgeting, financial reporting, management of classified personnel, purchasing, insurance and retirement programs, campus security, the operation and maintenance of the buildings and grounds, and the general management of the building program. This will also include salaries for the secretaries for the Chancellor, the Director of University Relations, the Director of Business Affairs, the Dean of Faculties, and the Director of Student Affairs.

Also included in this figure are provisions for Student Labor (\$3,000), Supplies and Services (\$12,000), and Equipment (\$1,500) for the administrative personnel listed.

B. Academic

\$277,750

This budget is built on the assumption that one teaching faculty member will accommodate 20 students. While this is substantially higher than the prevailing ratio at East Lansing or Ann Arbor, we believe that since the first class shall be freshmen only, this kind of teaching load will be manageable. This means, then, that this budget item includes provisions for 30 faculty members (we have used the prevailing Michigan State University salary average of \$7,000), 4 secretarial positions for faculty, and the salary for the Dean of Faculties. In addition, there is provision for Equipment for this personnel

(\$10,750), an allowance for Supplies and Services (\$20,000), and Labor (\$5,000).

C. Student Affairs

\$ 86,670

This figure provides for a Director of Student Affairs, a Registrar and Director of Admissions, a Records Clerk for the Registrar's Office, a Director of the Student Center, a Student Counselor and Examiner, a Registered Nurse, and 3 secretaries.

Also included is provision for Labor (\$2,500), Equipment (\$3,250), and \$23,420 for Supplies and Services. Included in the Supplies and Services budget is a \$10,000 item to provide 40 tuition scholarships for qualified and needy graduates from the high schools in this area.

D. Library

\$ 80,000

This provides for the salaries of a Librarian, an Assistant Librarian for cataloging, a secretary, and a clerk. It also provides for \$5,000 for Student Labor to be used in the operation of the Library and \$7,000 for Supplies and Services. Further, there is included in this figure \$48,000 for Equipment, most of which is for the purchase of books and periodicals. While this figure in itself is inadequate for the initial supply of library materials, it is based upon the assumption that the Legislature will approve

the supplemental appropriation requested which includes an item of \$32,000 for books and periodicals. If the supplemental request is not approved, then this figure should be increased by \$32,000.

E. Business Office

\$ 21,110

This includes the salary for an Accountant and part-time secretarial assistance, as well as a modest figure for Labor (\$1,000) and Supplies and Services (\$5,110). The Equipment budget requested is only \$7,500, which will finance the purchase of used accounting equipment adequate for the first year's operations.

F. Buildings and Utilities

\$135,950

Included in this figure is the salary for the Superintendent of Buildings and Utilities, plus \$55,300 for labor for the maintenance of buildings and grounds. Since the supplies and equipment for the maintenance and operation of the buildings and grounds must be included in this first year's operations, we have shown \$60,700 under Supplies and Services and \$11,950 for Equipment.

G. Retirement and Social Security

\$ 38,520

Our experience at Michigan State University indicates that approximately 10 percent of the salary payroll is required for Retirement and Social Security.

H. Audit and Insurance

\$ 4,500

This item is shown in order that we may be able to employ an auditing firm for a regular audit at the end of our operations and to provide the necessary insurance to cover the physical plant.

Total Budget	\$710,000
Less Student Fee Income	<u>-120,000</u>
Net Appropriation Requested	\$590,000

It should be noted that the \$590,000 appropriation requested for 600 students averages almost \$1,000 per student. This figure is larger than could be justified under normal operational circumstances. In this first year of operation, however, it is necessary to carry a higher than normal per student cost for administration and maintenance of the physical plant. It is our estimate that we could accommodate an additional 600 students for substantially less than the \$1,000 per student, and that after the operation has been established we shall be able to educate freshmen and sophomores at a much lower annual per capita cost.

STAGING OF EXPENSES FOR THE PERIOD JULY 1, 1958 - JULY 1, 1959 -- MSUO

<u>July 1, 1958</u>	<u>October 1, 1958</u>	<u>January 1, 1959</u>	<u>April 1, 1959</u>
Karas \$8,000	Dean of Faculty \$10,000	Director, Science and Arts \$6,000	Business Manager \$3,000
Secretary \$3,000	Secretary \$3,000	Director, Engineering \$6,000	Clerk \$1,000
Supplies & Services \$5,000	Librarian \$5,000	Director, Teacher Education \$6,000	Secretary \$1,000
Labor \$2,000	Director of Student Affairs \$10,000	Director, Business Administration \$6,000	Library \$10,000
	Secretary \$3,000	Four Secretaries \$8,000	
	Equipment \$5,000	Equipment \$4,000	
	Supplies & Services \$5,000	Supplies & Services \$4,000	
	Labor \$2,000	Labor \$2,000	
		\$42,000	
Total \$18,000	\$43,000		\$15,000

Grand Total - \$118,000