January 17, 2006

Dear friends:

2005 was a remarkable year for Oakland University. In April, we announced our first-ever comprehensive campaign, "Innovation and Opportunity — The Campaign for Oakland University," with a goal of raising \$110 million for professorships, scholarships, research endowments, academic programs and capital enhancements by 2010. Thanks to the vision and support of our alumni and friends, as of December we have raised more than \$67 million toward our goal. Our campaign will move Oakland University to the next level and will increase the value and quality of an Oakland degree.

The year also found us strengthening existing partnerships and entering into new ones with other institutions. We've enhanced our ongoing relationship with Macomb Community College and have partnered with Wayne State University to provide students with the opportunity to earn accelerated and dual degrees. Our SmartZone initiative is in full stride as we have joined forces with Oakland County, Automation Alley, Lawrence Technological University, and the cities of Rochester Hills, Southfield and Troy to promote the attraction and development of high-technology industries through applied research, technology transfer, commercialization and providing solutions to business problems.

Oakland's curriculum, student scholars and athletes are moving in exciting directions, and in some cases, making headlines. To respond to the needs of an evolving workplace and society, Oakland recently revised its general education curriculum. The new curriculum strives to improve each student's critical thinking, information literacy, communication and social awareness skills. Freshman entering the fall of 2005 began their undergraduate program using the new general education requirements. Seven students also received University Student Research Scholar Awards during 2005, which allow them to pursue independent research projects with \$1,000 grants. And the Golden Grizzlies thrust Oakland into the national spotlight when they captured OU's first-ever Division I NCAA Tournament win, defeating SWAC champions Alabama A&M in the opening game of the 2005 NCAA Tournament.

Oakland University continues to grow. Our number of full-time faculty is on the rise, with 50 new positions scheduled for 2007. We continue to add new degree programs, such as the Bachelor of Science in Information Technology and the Bachelor of Science in Business Economics, which were established in 2005. This past fall our enrollment topped 17,000 for the first time in Oakland's history, making us the second-fastest growing public university in the state over the last 10 years.

During this period of growth and expansion, we have managed to control tuition increases and have worked to improve facilities and research opportunities for our students and faculty. We are pleased to offer our students an unparalleled educational

experience, one that not only prepares them for their professional careers but also shapes them into contributing and involved members of society.

Gary D. Russi